



# RPP Infra Projects Ltd.

08<sup>th</sup> September, 2023

To Corporate Relationship Department <b>BSE Limited</b> 1st Floor, New Trading Ring, Rotunda Building, P.J.Towers Dalal Street, Fort, Mumbai - 400001. <b>Scrip Code: 533284</b>	To The Manager, Listing Department <b>National Stock Exchange of India Ltd</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot no. C/1, Block G, Mumbai - 400051. <b>Scrip Code: RPPINFRA</b>
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Respected Sir,

**Sub: Submission of Annual Report of the 28<sup>th</sup> Annual General Meeting for FY 2022-23 to be held on 30<sup>th</sup> September, 2023-Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.**

In pursuance with Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, please find the enclosed Annual Report of the 48<sup>th</sup> Annual General Meeting for the FY-2022-23 to be held on 30<sup>th</sup> Sept, 2023 at 02.30 P.M. through Video Conferencing facility which does not require physical presence of Members of a common venue.

The E-voting period begins from 27<sup>th</sup> September, 2023 to 29<sup>th</sup> September, 2023

Cut-off date will be 23<sup>rd</sup> September, 2023 and

The Closure of book will be from 24<sup>th</sup> September, 2023 to 30<sup>th</sup> September 2023

Thanking You,

Yours faithfully,

For R.P.P INFRA PROJECTS LIMITED

**ARULSUNDARAM NITHYA**

**WHOLETIME DIRECTOR / CFO**

**DIN: 00125357**

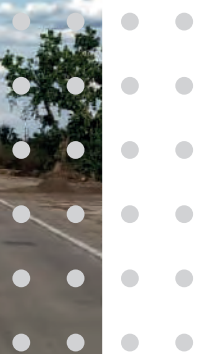
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PAN : AAACR9307E  
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2022-23  
Annual Report



**TRANSFORMING  
TODAY. SECURING  
OUR TOMORROW.**



**RPP is one of the leading and fast-growing integrated Engineering, Procurement, Construction (EPC) companies with a well-diversified presence across various infrastructure and market segments.**

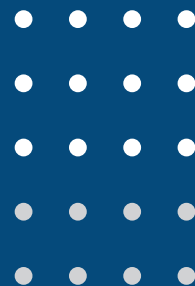
We are steering the transformation of our business to meet the challenges of the future. We harness our deep-rooted technical capabilities and construction best practices to drive productivity, deliver on time, and win repeat business from our clients.

Trusted by our customers to deliver sustainable solutions that improve the quality of life and have a beneficial impact on communities, we leave a legacy we are proud of.

Our well-laid strategy of focusing on small and medium government projects, especially on the back of the government's thrust on rural infrastructure, has paid off, with healthy revenue growth and margins even during tough times.

Our strong execution track record, growing market share in most of our key geographies, expanding capability to bid for higher ticket size projects, and robust order book positions us well as we transform our business to secure long-term sustainable value for our stakeholders.

**WE ARE TRULY  
TRANSFORMING TODAY,  
SECURING OUR TOMORROW.**



## Approach to Financial Reporting

RPP is pleased to present its Annual Report for the financial year 2022-23. This report intends to serve as a concise communication about the Company's business, governance, performance and prospects in the context of its operating environment.

## Scope and Boundary

The reporting period is from 1st April 2022 to 31st March 2023. The Company is primarily engaged in infrastructure development across various project sites and this report covers the operations of the Company comprising information on its projects. There was no significant change in scope and boundary of the non-financial disclosures from the previous reporting period.

## Approach to Stakeholder Engagement

We engage with our stakeholders regularly, and responding to their expectations is important for us. These are captured through our assessment process and various other channels.

## Contribution to the SDGs

Through our business, we have a positive impact on many of the Sustainable Development Goals (SDGs) established by the United Nations to foster a better society. Principal among these is the improvement of lives and livelihoods through infrastructure development. We contribute to the following SDGs:



## Disclaimer

This report may contain 'forward-looking' statements that capture expectations or projections about the Company's future. These are implicit in the uncertainty and the risk that the Company faces. Actual results, performance or achievements may thus differ substantially or materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any such statement on the basis of subsequent developments, information or events, except as may be required by law.

## Report Accessibility

This report is available on our corporate website under the 'Investor' section: [www.rppi.com](http://www.rppi.com)

Prioritising health and safety of our people and communities

Building a skilled, diverse and inclusive workforce

Enabling portfolio diversification

Focusing on timely execution

### Our Strategic Imperatives

Continuing our focus on best practices in sustainability

Ensuring a manageable risk profile

Forging strategic partnerships for accelerated growth

Maintaining financial stability and balance sheet strength

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# BUSINESS IDENTITY

**RPP Infra Projects is a rapidly growing integrated EPC Company with a well-diversified presence across various segments. The Company has a large order book of ₹3,200 crore spread across 3 main segments: Infrastructure (48.80%), Water Management (43.92%) and Buildings (7.28%).**

## About Us

**Incorporated in 1995, RPP is one of the leading and rapidly growing integrated EPC companies in India with a well-diversified presence in highways, roads & bridges, civil construction (water management), irrigation, mass & affordable housing, and power projects.**

The Company has successfully executed 200+ civil construction projects till date across various segments. Over the years, the Company has consciously focused on small to medium government projects with a predominant presence in the southern states, such as Karnataka, Tamil Nadu, Telangana and Andhra Pradesh. This strategy has worked well, with the result

that the Company has been able to carve a strong identity as a niche dependable player to large customers for prestigious projects.

The government's continuous spending on infrastructure development, including on roads and highways, mass housing, water & irrigation and power projects continues to be a major growth driver for the Company. Thus, RPP will be a major beneficiary of increasing opportunities in the infrastructure sector, which is reflected

in sustainable order wins over the years.

As of 31 March 2023, RPP had an order book of ₹3,200 crore. Furthermore, the Company's revenues have expanded significantly over the years, from ₹580.69 crore in 2018-19 to ₹1,005.23 crore in 2022-23.





## VISION

To be a global leader in the construction and infrastructure industry by continuously moving forward. To have international standards by adopting the latest technologies, ideas and systems by creating quality-minded employees to deliver on client expectations.



## MISSION

To perform exceptionally well in all aspects in the industry by providing innovative, reliable and high quality services to our clients. We are also committed to developing highly trained and loyal employees who work as a team to anticipate, identify and respond to client needs.

### Key Financial Highlights

**₹ 1,005.25 CRORE**

Revenue from operations

**₹ 136.70 CRORE**

Operating profit

**13.59%**

Operating profit margin

**₹ 25.99 CRORE**

Net profit

**₹ 8.02**

Earnings per share

**₹ 92.22**

Book value per share



## OUR STRATEGIC FOCUS AREA

### Buildings



- Affordable housing
- Social infrastructure
- Hospitals
- Medical colleges
- Mixed-use projects
- Multi-storied buildings

### Infrastructure



- Smart City projects
- Roads & highways
- Elevated corridors
- Structural works for power plants and coal/ash handling plants
- Power plant substations
- Integrated storm water drainage

### Water Management



- Jal Jeevan Mission projects
- Water supply distribution
- Elevated service reservoirs
- Rehabilitation/modernisation of irrigation infrastructure
- Canal construction

# CHAIRMAN'S REPORT TO SHAREHOLDERS



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RPP Infra continues to have a diversified presence in highways, roads & bridges, and civil construction in water management, irrigation and power projects. The Company continues to be driven by its strategy of small and mid-sized government projects with short tenure and its superior project execution skills provides strong revenue visibility. Further, quick turnaround remains a core principle of the Company.

## Esteemed Shareholders,

**It gives me pleasure to present the 28th Annual Report and annual performance of RPP Infra Projects for the financial year 2022-23.**

India's economy shows more potential than the global economy that suffers from Covid-19 challenges and the war in Ukraine. The Indian economy, with provisional GDP growth of 7.2% in FY2023, is therefore on the right track, and despite a time of challenges, is heading towards a bright future.

India's rising global profile is because of several accomplishments: unique world-class digital public infrastructure, e.g., Aadhaar, Co-Win and UPI; Covid vaccination drive with unparalleled scale and speed; proactive role in frontier areas such as achieving climate-related goals, Mission LIFE, National Hydrogen Mission, etc..

In these times of global challenges, the G20

presidency gives India a unique opportunity to strengthen its role in the world economic order. With the theme of 'Vasudhaiva Kutumbakam', we are steering an ambitious, people-centric agenda to address global challenges and facilitate sustainable economic development.

Investments in infrastructure and productive capacity have a large multiplier impact on growth and employment. After the subdued period of the pandemic, private investments are growing again.

In Union Budget 2023, the government has announced new major policies to create world-class infrastructure in India:

- Capital investment outlay is being increased steeply for the third year in a

row by 33% to ₹10 lakh crore

- Direct capital investment by the centre is complemented by provisions made for creation of capital assets through Grants-in-Aid to states. The effective capital expenditure of the centre is budgeted at ₹13.7 lakh crore
- Capital outlay of ₹2.40 lakh crore has been provided for the railways

The government has adhered to its infrastructure-driven growth path and continued with capex spending. The capital expenditure of the central government, which increased by 63.4% in the first eight months of FY2023 was another growth driver of the Indian economy. Government has announced to establish National Bank for Financing Infrastructure and

Development (NaBFID), set up primarily as the principal Development Financial Institution (DFI) that will support the development of long-term infrastructure financing in India. This is a positive for the infrastructure sector.

The Indian economy reported satisfactory GDP growth in FY2022-23. Real GDP growth exhibited positive trend during the year, growing by 7.2% as per provisional CSO estimates. The domestic economy has increased in size from being the 10th to the 5th largest in the world and aspires to be the 3rd largest in the next few years.

The Company continues to have a strong order book, which at the end of FY2023 stood at ₹3,200 crore, as compared to ₹2,664 crore in FY2022. The Company has been awarded various new projects during the year, including under joint venture. However, challenges remain of liquidity pressure and execution risk due to slowdown in the economy. Fortunately, the Company's contracts are from the government, the safest customer that provides stability even in the most challenging times. Further, given the importance laid by the government to the infrastructure sector owing to it being a catalyst of growth, we expect the Company would also stand to benefit and we look forward to performance acceleration in FY2024 and beyond.

## Performance Review

The Company performed well and increased revenue by 28.90% and profitability by 210.88% during FY2023. It demonstrated sound performance in the fourth quarter and it is expected to maintain the same growth in the ongoing year. With a strong order book, we are positive about the current financial year and hope it will be the best year for our Company after the economic slowdown and pandemic challenges.

Networth of the Company increased to ₹342.59 crore as on 31st March 2023, vs. ₹317.61 crore as on 31st March 2022. During the period, the Company infused capital

**RPP INFRA CONTINUES TO HAVE A STRONG ORDER BOOK, WHICH AT THE END OF FY2023 STOOD AT ₹3,200 CRORE, AS COMPARED TO ₹2,664 CRORE IN FY2022. THE COMPANY EXPECTS TO SUSTAIN THE GROWTH MOMENTUM IN ITS ORDER BOOK, LINKED TO TIMELY AND QUALITY EXECUTION.**

through the issue of 3 lakh equity share and 1.15 crore warrants at a price of ₹44.25 per share/warrant under preferential issue.

On standalone basis, the Company's total revenue increased to ₹1,005.25 crore in FY2023, against ₹779.82 crore in FY2022. Total cost increased to ₹988.62 crore in FY2023, vs. ₹779.82 crore in FY2022. EBITDA for the financial year in review stood at ₹61.20 crore, as against ₹36.14 crore in FY2022. Profit after tax for the year stood at ₹25.99 crore, vs. ₹8.36 crore in FY2022.

On consolidated basis, revenue stood at ₹1,040.33 crore in FY2023, against ₹801.68 crore in FY2022. Total consolidated expense stood at ₹1,024.00 crore in FY2023, vs. ₹804.78 crore in FY2022. Profit after tax for FY2023 stood at ₹28.96 crore, vs. ₹5.36 crore in FY2022.

The Company requires long-term resources to meet its additional working capital requirements. To meet out the same, the Company issued 1.15 crore warrants under preferential issue amounting to ₹50.88 crore, convertible within 18 months from the date of allotment.

The Board has discussed the situation prevalent in the economy vis-a-vis the Company's fund requirement and has decided to conserve resources to meet the requirement and maintain liquidity. Accordingly, the Board has decided against the recommendation of dividend for the financial year ending 31st March 2023.

The Company continues to have a diversified presence in highways, roads & bridges, and civil construction in water management, irrigation and power projects. It continues to be driven by its strategy of small and mid-sized government projects with short tenure, and its superior project execution skills provides strong revenue visibility. Further, quick turnaround remains a core principle of the Company.

## Growth Orientation

The Company is positive about FY2024. GDP growth is expected to be around 6.3% during the year, as per estimates of the IMF and this forecast underscores India's emergence as a bright spot in the global economy despite high inflation and economic challenges.

The Company's total revenue in the first quarter of June 2023 was ₹238.57 crore, vs. ₹219.39 crore in the June 2022 quarter. We hope to continue to perform better every quarter and are committed to this ideal.

The Company is also hopeful that emphasis of the government in infrastructure development and its robust execution capability linked to a focus on government projects would yield better results in the coming time.

I would like to thank all our shareholders, customers, vendors and other stakeholders for the confidence and trust in the Company. I acknowledge and thank Board members and employees for their invaluable support.

Your confidence continues to motivate us to perform better every year.

Thank you.

**P. Arulsundaram**  
Chairman & Managing Director





# FINANCIAL UPDATE

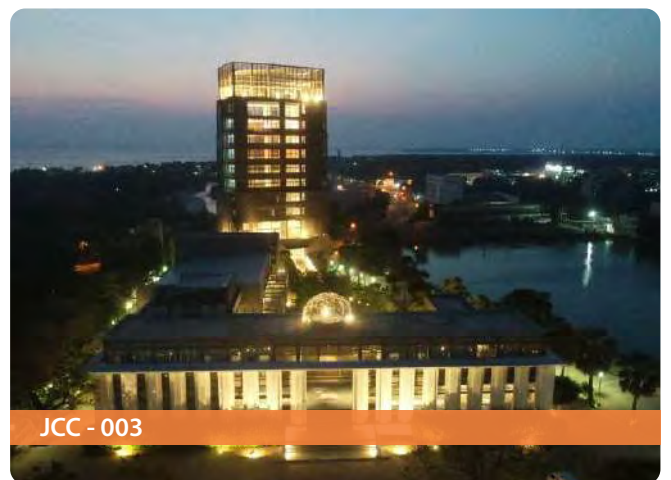
**RPP achieved satisfactory operational and financial progress during the fiscal year 2022-23, contributing to the important area of infrastructure development that is vital for economic growth, public life and community sustainability.**

Externally, the Company operated in an environment marked by significant global inflation. Russia's invasion of Ukraine fanned geopolitical tensions and global supply chain bottlenecks, exacerbating key commodity costs. In addition, elevated interest costs also remained a key factor during the year, as major central banks tightened their monetary policy in response to curbing inflation.

Within this environment, RPP accomplished a commendable financial performance in 2022-23, with prudent guidance of the Board and sound business management taking centerstage, thus meeting the expectations of stakeholders.

## Key Performance Metrics (₹ cr)

Parameter	2022-23	2021-22	2020-21	2019-20	2018-19
Income from operations	1,005.25	779.82	477.90	575.69	580.69
Total income	1,027.37	794.01	489.10	585.31	589.39
EBIDTA	61.20	36.14	47.22	64.63	70.66
Interest	13.34	13.98	18.95	22.68	23.24
Depreciation	9.10	7.97	6.11	7.16	6.38
Tax	12.76	5.83	6.62	15.49	16.70
Net profit	25.99	8.36	15.53	19.30	24.35
Equity share capital	37.46	36.69	23.65	22.60	22.60
Networth	342.59	317.61	267.81	236.17	215.72
Gross fixed assets	122.94	116.68	94.94	96.99	89.92
Net fixed assets	69.23	61.54	46.99	51.83	51.74
Total assets	734.90	738.67	618.25	569.07	595.46
Book value per share (₹)	92.22	86.57	113.24	104.50	95.45
Turnover per share (₹)	268.36	212.56	202.07	254.72	256.94
Earnings per share (₹)	8.02	2.64	6.57	8.64	10.77
EBIDTA/Gross turnover (%)	0.06	0.05	0.10	0.11	0.12
ROCE (%)	0.12	0.08	0.14	0.22	0.26



# BUSINESS COMMENTARY BY THE MANAGEMENT

**66 RPP is gaining momentum and is poised for sustainable growth and value creation, with the Company being structurally well-placed to tap into the opportunity in infrastructure capex, especially with our fundamental parameters remaining strong and secure.**

- A Nithya, Whole-Time Director

Over the last 36 months, the world has been hit by triple challenges - a global climate crisis, a pandemic that has pushed back economic growth, and an unprecedented inflation-driven elevation in food and energy costs, triggered by the Russia-Ukraine war. Rarely has there been a simultaneous convergence of so many global challenges.

So, as I ponder on the current environment, I think of the importance of infrastructure in public life. Infrastructure development has a direct correlation with economic recovery and pickup, and it is reassuring to observe the Indian government's thrust on infrastructure development, especially in rural areas.

Government schemes such as PM Gati Shakti, Smart Cities Mission, Make in India, PLI and Atal Mission for Rejuvenation and Urban Transformation (AMRUT) are some of the far-sighted programs of the government. In addition, the National Infrastructure Pipeline (NIP) is a first-of-its-kind government exercise to provide world-class infrastructure to citizens by aiming to improve project planning and investment. NIP opportunities exist in almost all the major construction segments, such as waste

& water (USD 170+ bn), roads and highways (USD 450+ bn), electricity generation (USD 286+ bn), etc.

Lack of robust infrastructure is often recognised as the primary growth constraint for a developing nation. The NIP and other development-focused schemes of the government are a step in the right direction.

RPP is leading the push to foster organisational transformation in order to

tackle future industry challenges. We are leveraging the strength of our decades of deep expertise, innovative practices, and sustainable thinking to build high-quality infrastructure assets and developments across our three verticals: Buildings, Infrastructure, and Water Management.

With 28+ years of expertise, robust execution track record of completing 200+



civil projects, strong tendering capabilities, prominent government clientele with steady cash flow, and deep customer trust that we have been able to win, we have developed a legacy that we are truly proud of.

The government has a relentless thrust on development of sectors of strategic importance to the economy, such as power, roads and highways, irrigation, water management, railways, ports, airports etc. Further, in Union Budget 2023-24, the focus continued to be on infrastructure and ramping up the pace of infrastructure creation. Capital expenditure in the Budget more than doubled from ₹4.26 lakh crore of actual expenditure in 2020-21 to ₹10.01 lakh crore budgeted in 2023-24. This is the third consecutive year that capital investment outlay has increased and, as a share of total expenditure, investment in capital expenditure is at 22%, the highest in the last 15 years.

Given this opportunity landscape, RPP is in a good spot as we have always bid for government projects or projects funded by the government, NABARD, Asian Development Bank, World Bank or international development institutions to avoid any fund related issues, underlying our conservative and prudent strategic direction.

Further, spending from states where RPP has a strong imprint is also on the rise, which augurs well for the Company. We are predominantly present in the southern regions covering the states of Karnataka, Andhra Pradesh, Telangana and Tamil



**WITH 28+ YEARS OF CIVIL INFRASTRUCTURE EXPERTISE, ROBUST EXECUTION TRACK RECORD, STRONG TENDERING CAPABILITIES, PROMINENT GOVERNMENT CLIENTELE WITH STEADY CASH FLOW, AND DEEP CUSTOMER TRUST, WE HAVE DEVELOPED A LEGACY THAT WE ARE TRULY PROUD OF.**

Nadu, and also Himachal Pradesh, etc., where government spending has been rising primarily on irrigation, housing, transportation, etc. This gives us comfort about future revenue visibility, which is also reflected in our order backlog of ₹3,200 crore as on 31 March 2023, up from ₹2,664 crore as on 31 March 2022.

During the ongoing financial year, we

will undoubtedly face challenges. We will navigate these as best as we can, especially given our proven track record over the years across many economic cycles. The management is confident that new opportunities will come along the way and we will be quick to capitalise on those, thus ensuring secure order book growth and continuous operations.

As I conclude, on behalf of the management, I thank everyone who contributed to our results for the year. We look forward to continued growth as a strong infrastructure development Company in an industry setting that abounds with growth opportunity.

**Thank you once again.**



# CHOOSING THE RIGHT OPPORTUNITIES

We are a direct beneficiary of government spending and have strong experience in key segments of the government's thrust areas

We are continuously building our technical capabilities as well as forging strategic collaborations that is helping us bag higher value projects

We have strong revenue visibility with our order book comprising of government orders, thus ensuring greater business visibility and secured receivables

## WHAT SETS US APART

We have de-risked the business model by venturing into new regions and geographies that are also growing fast

We have a presence in some of the fastest growing states in India that have succeeded in attracting investment and offer significant opportunity

We have a strong track record in timely project completion that has ensured customer credibility and no cost overruns

**28.90%**

Revenue growth in FY2023

**210.88%**

Net profit growth in FY2023

# R. P. P Infra Projects Limited

CIN: L45201TZ1995PLC006113

## CORPORATE INFORMATION

### Board of Directors

Mr. P Arulsundaram, Chairman & Managing Director  
Mrs. A Nithya, Whole-time Director & CFO  
Mr. P Muralidasan, Non-Executive Director  
Mr. K Rangasamy, Independent Director  
Mr. P R Sundararajan, Independent Director  
Mr. R Kalaimony, Independent Director

### Audit Committee

Mr. K Rangasamy, Chairman  
Mr. P R Sundararajan  
Mr. P Muralidasan

### Nomination and Remuneration Committee

Mr. P R Sundararajan, Chairman  
Mr. K Rangasamy  
Mr. P Muralidasan

### Stakeholders' Relationship Committee

Mr. P Muralidasan, Chairman  
Mr. P R Sundararajan  
Mrs. A Nithya

### Corporate Social Responsibility Committee

Mr. P R Sundararajan, Chairman  
Mr. P Muralidasan  
Mrs. A Nithya

### Legal and Finance Committee

Mr. P R Sundararajan, Chairman  
Mr. P Muralidasan  
Mrs. A Nithya

### Rights Issue Committee

Mr. K Rangasamy, Chairman  
Mrs. A Nithya  
Mr. P Muralidasan

### Allotment Committee

Mr. K Rangasamy, Chairman  
Mrs. A Nithya  
Mr. P Muralidasan

### Company Secretary

Mr. Shammi Prakash

### Registered Office

S F No. 454, Raghupathynaiken Palayam,  
Railway Colony Post, Poondurai Road,  
Erode - 638 002. Tamil Nadu.

### Bankers

Indian Overseas Bank  
Bank of India  
Canara Bank  
Indian Bank  
EXIM Bank

### Statutory Auditor

S.N. Duraiswamy  
7, Kandappa Lane, Opp Brough Road,  
Telephone Bhawan, Near Iswaraiyaa Hotel, Erode – 638001.

### Internal Auditor

M/s. Karthikeyan & Jayaram  
'Sri Towers', 30 Bharathidasan Street,  
Teachers Colony, Erode – 638011.

### Cost Auditor

M/S. SVM & Associates  
AP 13, New No. 15, 6th Street, 1 Sector,  
K.K. Nagar, Chennai – 600 078.

### Secretarial Auditor

M/s Lakshmmi Subramanian & Associates  
Ground Floor, 81, MNO Complex,  
Greams Road, Thousand Lights,  
Chennai – 600006.

### Registrar & Share Transfer Agent

M/s Cameo Corporate Services Limited  
Subramanian Building, No.1 Club House Road,  
Chennai – 600002.

### Listed At

National Stock Exchange of India Limited  
Symbol: RPPINFRA  
Series: EQ

BSE Limited  
Scrip Code: 533284  
Scrip ID: RPPINFRA

### Website

www.rppiplt.com



# Directors' Report

Dear Members,

Your Directors take pleasure in presenting the 28<sup>th</sup> Annual Report on the business and operations of RPP Infra Projects Limited together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2023.

## 1. Financial Highlights (Standalone and Consolidated)

During the year under review, performance of your Company's standalone and consolidated results are as under:

(₹ in Crore)

Particulars	Year ended			
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
	Standalone		Consolidated	
Turnover	1,005.25	779.82	1,040.33	801.68
Profit/(Loss) before taxation	38.76	14.19	41.73	11.19
Less: Tax expense	12.76	5.83	12.76	5.83
Profit/(Loss) after tax	25.99	8.36	28.96	5.36
Add: Balance B/F from the previous year	195.63	187.08	198.48	189.54
Balance Profit / (Loss) C/F to the next year	221.63	195.63	227.44	198.48

## 2. Operations and Performance Review

The Company achieved good results for the financial year 2022-23. Company's revenue increased during the year 2022-23, as compared to the previous financial year, with margin and profitability also witnessing expansion as compared to the previous financial year 2021-22.

Company's performance improved during the 4<sup>th</sup> quarter and it expects to maintain the same in the coming year. During the year, the Company was awarded more contracts and has a strong work order of ₹ 3200 crore.

The Company achieved a turnover of ₹ 219.39 crores during first quarter of 2022-23, with PBT of ₹ 6.48 crore and PAT of ₹ 3.60 crore. In the second quarter, Company achieved a turnover of ₹ 250.78 crore with PBT of ₹ 5.19 crore and PAT of ₹ 3.27 crore. Third quarter witnessed a decline in turnover to ₹ 231.86 crore, yet PBT increased to ₹ 10.62 crore and PAT to ₹ 7.79 crore. The last quarter had much higher turnover of ₹ 298.27 crore, with higher PBT of ₹ 16.46 crore and higher PAT of ₹ 11.33 crore.

### Standalone Results

During the year under review, revenue from operations increased to ₹ 1,005.25 crore from ₹ 779.82 crore in the previous year, reflecting an increase of 28.90% from the last financial year.

Profit after tax increased to ₹ 25.99 crore during the financial year, against ₹ 8.36 crore in the previous financial year. The Company's net worth increased to ₹ 342.59 crore as on 31<sup>st</sup> March 2023, as compared to ₹ 317.61 crore as on 31<sup>st</sup> March 2022.

### Consolidated Results

Consolidated revenues for the year under review was ₹ 1,040.33 crore, against ₹ 801.68 crore in the previous financial year, recording an increase of 29.77% as compared to the previous financial year.

Consolidated profit after tax increased to ₹ 28.96 crore, against ₹ 5.36 crore for the previous financial year. The Company's consolidated net worth increased to ₹ 362.19 crore as on 31<sup>st</sup> March 2023, up from ₹ 336.66 crore as on 31<sup>st</sup> March 2022. The increase in networth was also owing to capital raising under preferential issue and conversion of partly paid shares into fully paid shares by the Company.

In accordance with Accounting Standard AS-21 on consolidated financial statements, the audited consolidated financial statements are also provided along with standalone financial statement in the Annual Report.

## 3. Company's Affairs and Future Outlook

The Company performed well in the current year despite high inflation and challenges due to the Russia-Ukraine war. The Company achieved increase in profit and turnover during the year.

Your Company continues to have strong orderbook which at the end of the financial year 2022-23 stood at ₹ 3,200 crore.

Your Company is bound to have better performance in the future as contracts and orders are from the government, who are safest customer and provides stability to The Company even in challenging times. Your Company has received the following major contracts during the year 2022-23 and till the date of this report, and Company has continued its focus to small and mid-sized projects in segments of water and infrastructure domains:

- Major Upgradation of Lucknow Railway Station of Northern and North Eastern Railways on Engineering, Procurement and Construction (EPC) mode. (Upgradation of Lucknow Railway Station) for ₹ 399.00 Crore (Inclusive of GST).
- Widening the East Coast Road (ECR) to six lane (Infrastructure Department) for ₹ 104.79 crore (Inclusive of GST).
- Rectification of black spot by constructing a 3 lane additional flyover with vehicular underpass at different location in the project of Salem- Kumarapalyam section of NH-544 in the state of Tamil Nadu on EPC mode (Infrastructure Department) for ₹ 125.85 Crore (Inclusive of GST).
- Repair & Construction works of Old Buildings for Reopening of Old District Jail at Bareilly Uttar Pradesh, on EPC Basis (Building Department) for ₹ 148.00 Crore (Inclusive of GST).
- Implementation of Ground Water Based Mini Piped Water Supply Schemes within 08 Blocks in The District of Dakshin Dinajpur under Balurgat Division, PHE Dte. RPP:51% & Infrastructures:49%. (Water Department West Bengal) for ₹ 104.54 Crore (Inclusive of GST).
- Improvement to Water Supply Services in Sheopurkalan and Badoda Nagar Parishads in Sheopur District in Madhya Pradesh. (Water Department) for ₹ 170.88 Crore (Excluding GST).

The details of the affairs of the Company and future outlook has also been provided at other places including Management Discussion and Analysis Report forming part of this report.

#### 4. Change in Nature of the Business

There was no change in the nature of the business of the Company and its subsidiaries during the year. The company has obtained shareholders approval for change of company name from R.P.P Infra Projects Ltd to Sri R.P.P Infra Projects Ltd. Lunkar Finance Pvt Ltd (subsidiary company) submitted the application of surrendering of NBFC license to RBI and pending with RBI.

#### 5. Dividend

Your Directors regret to inform that they have decided against the recommendation of dividend for the financial year 2022-23 owing to lower profit expectation during the financial year 2022-23 and with a view to conserve resources and liquidity owing to requirement of funds for future projects of the Company.

#### 6. Transfer to Reserves

Company has not transferred any amount to the reserve during the year. All profits are carried forward in the P&L Account.

#### 7. Share Capital

During the financial year, the paid-up capital of the Company increased to ₹ 37.46 crore from ₹ 36.69 crore in the previous year. Company has issued 3,00,000 equity shares of face value ₹ 10 per

share and 1,15,00,000 convertible warrants issued at a price of ₹ 44.25 each to Non-Promoter Group.

During the year, partly paid rights issue also converted into fully paid up rights issue.

#### Rights Issue:

Your Company has made rights issue of 1.60 crore equity shares at a price of ₹ 30 per share aggregating upto ₹ 48 crore. The right basis was made to existing equity shareholders in the ratio of three right equity shares for every five fully paid equity shares held by shareholders.

Based on application, the Company has allotted 1,42,30,000 equity shares on 26<sup>th</sup> October 2021 on receipt of ₹ 18 (including premium of ₹ 12). Further, Company has made first and final call of balance ₹ 12 (including premium of ₹ 8) on 3<sup>rd</sup> February 2022.

During the financial year, 4,73,069 no. of partly paid converted into fully paid shares and remaining outstanding partly paid shares is 7,21,220 and 6,941 partly paid shares was converted into fully paid up as on 06.03.2023 and the process was completed after balance sheet date.

4,37,579 partly paid shares were converted into fully paid shares as on 13<sup>th</sup> June 2023 and the remaining outstanding partly paid shares is 2,76,700.

#### Preferential Issue:

Your company has made preferential issue of 3,00,000 equity shares and 1.15 crore warrants at ₹ 44.25 per share/warrants. Company has made allotment of 3,00,000 equity shares of the face value of ₹ 10 and 1.15 crore convertible warrants is issued at ₹ 44.25 warrants as on 6<sup>th</sup> March, 2023 and each warrant will be converted into one equity share of face value of ₹ 10 each within 18 months' time limit from the date of allotment.

#### Authorized Share Capital:

During the year, there is no change in the authorised capital and remained same as 50 crore authorised capital.

#### 8. Annual Return

The Annual Return in the e-form MGT - 7 for the financial year 2022-23 is provided on the Company's website at web-link <http://www.rppi.com/investor.php> and may be treated as part of Board Report.

#### 9. Board of Directors and Meetings of the Board

The Board is properly constituted with an appropriate mix of executive, non- executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.





The Board is constituted in compliance with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015. The total strength of the Board comprised of six directors during financial year 2022-23. Board comprised of two executive promoter directors, one non-executive director and three independent directors, with one woman director being part of Board. The composition of the Board was proper throughout the financial year as per Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

Mr. K Rangasamy resigned as Independent Director from 21<sup>st</sup> April 2023. Due to resignation of Independent Director, composition of Executive, Non-Executive Director and Independent Director is not maintained as per Section 149 of the Companies Act, 2013 and as per Regulation 17 of SEBI(LODR) Regulations, 2015, Mr. Thangavel was appointed as Independent Director as on 21<sup>st</sup> July 2023 subject to approval of shareholders in the upcoming AGM.

More details about the Board, including the profile of directors are provided in the Corporate Governance Report forming a part of the Board Report.

During the financial year 2022-23, six board meetings were held on 30<sup>th</sup> May 2022, 12<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 06<sup>th</sup> January 2023, 11<sup>th</sup> February 2023, and 30<sup>th</sup> March, 2023.

The attendance of Directors in the Board meeting is provided below:

Name of the Director	Number of Meetings Held	Number of Meetings Entitled To Attend	Number of Meetings Attended
Mr. P. Arulsundaram	6	6	6
Mrs. A. Nithya	6	6	6
Mr. P. Muralidasan	6	6	6
Mr. K. Rangasamy	6	6	6
Mr. P. R Sundararajan	6	6	6
Mr. R. Kalaimony	6	6	3

## 10. Loan, Guarantees and Investments under Section 186

During the financial year 2022-23, the Company has not made any investment, granted any loan or extended any guarantee or provided any security in connection with the loans to other companies.

Company has incorporated Five joint venture in form of partnership namely RPP-HSEA JV, RPP-OPG JV, RPP-Infrastructure, RPP-P&C Vagmine JV and V Satyamoorthy & Co RPP JV for bidding various project and the said partnership has also been awarded with the contract.

The investment is within the limit of Section 186 of the Companies Act 2013. Further, Company has not made any loan or guarantee or security or investment in subsidiaries including wholly owned subsidiaries or joint venture during the financial year 2022-23.

Please refer to note no. 6 of Notes to Accounts for details of all investments made by the Company.

## 11. Contracts or Arrangements with Related Parties

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, for the financial year 2022-23 in the prescribed format, AOC - 2 has been enclosed with this report as **Annexure – 1**.

The Company enters into bidding agreement with various parties including related parties for making of bidding to various Government Departments as per qualification criteria. These agreements when made are made in ordinary course of business and on arm's length basis as acceptable in this industry. Company ensures to have similar/ same terms and conditions for all agreements, including with related party. These are as per the bidding agreement, where formal agreement needs to be entered on award of the work by the Government Department.

Company do obtain omnibus approval of the Audit Committee and wherever it goes forward for contract and also obtains Board/ Members approval. Company will also approach for omnibus approval to the shareholders to seek their prior approval as some of these may be material related party transaction as per SEBI LODR Regulation, 2015. These will work as omnibus approval. Company will ensure that any contracts/ agreements as made, are in ordinary course of business and at arm's length price.

## 12. Material Changes Affecting the Financial Position of the Company

There are no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company, i.e., 31<sup>st</sup> March 2023 and till the date of the Directors' Report.

## 13. Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo has been enclosed with this report as **Annexure – 2**.

## 14. Subsidiaries, Joint Venture and Associate

The Company at the end of financial year has a total of six subsidiaries out of which four are wholly owned subsidiaries (WOS), one is step-down subsidiary and one company though subsidiary is in nature of joint venture. RPP-Annai (JV) Private Limited has been incorporated as subsidiary as Company holds 51% in it, however, it is a joint venture company. Company also has one joint venture outside India namely R.P Infra Projects Myanmar Ltd, which has been incorporated in

Myanmar under Myanmar Companies Act, 2017 and Company holds 49% in same.

Company has incorporated Five joint ventures namely RPP-HSEA JV, RPP-OPG JV, RPP-Infrastructure, RPP-P&C Vagmine JV and V Satyamorthy & Co RPP JV during the financial year 2022-23, which is joint venture partnership/ association for bidding and taking up various contracts and to meet eligibility criteria in tenders.

Further, your Company from time to time enters into bid arrangement/understanding for quoting for projects or undertaking projects under joint venture and they may be incorporated as company/ partnership/ association of persons in case of award/ allotment of project or otherwise as may be decided by the Company.

A brief of the subsidiaries is provided below for your information.

### **R.P.P Infra Projects (Lanka) Limited, Sri Lanka**

R.P.P Infra Projects (Lanka) Limited is a wholly owned subsidiary of your Company based in Sri Lanka. The Company, during 2014-15, successfully completed a housing project for the internally displaced people of Sri Lanka's Northern Province for which Hindustan Prefab Limited were the Project consultant.

The Company has not taken up any new project during the year under review and has no operating revenues during the financial year ended 31<sup>st</sup> March 2023. The Company recorded a net profit of ₹ 3.25 crore for the year ended 31<sup>st</sup> March 2023.

### **R.P.P Infra Overseas PLC, Mauritius**

R.P.P Infra Overseas PLC is a wholly owned subsidiary of your Company based in Mauritius. The principal activity of the Company is to provide infrastructure project-related consultancy services and SPV for foreign investment.

The Company had no operating revenues during the financial year ended 31<sup>st</sup> March 2023. The company recorded a net loss of ₹ 0.19 crore.

### **Sanskar Dealcom Private Limited, India**

Sanskar Dealcom Private Limited, a wholly owned subsidiary of your Company, is engaged in activities that includes being distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including clearing agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry any kind of commercial business.

The Company had no operational revenues during the year ended 31<sup>st</sup> March 2023 and had a very insignificant net loss for the year.

### **Greatful Mercantile Private Limited, India**

Greatful Mercantile Private Limited, a wholly owned subsidiary of your Company, is engaged in activities that include being distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including clearing agents,

freight contractors, forwarding agents, licensing agents, general brokers and to carry any kind of commercial business.

The Company had no revenues from operations during the year ended 31<sup>st</sup> March 2023 and had a very insignificant net loss for the year.

### **Lunkar Finance Private Limited**

Lunkar Finance Private Limited is a step-down subsidiary of your Company. Sanskar Dealcom Private Limited and Greatful Mercantile Private Limited holds the entire paid-up capital of this company and hence step-down subsidiary of your Company. It is a non-deposit taking NBFC.

The Company had no operational revenues during the year ended 31<sup>st</sup> March 2023 and had a very insignificant net loss for the year.

Lunkar Finance Private Limited has started the process of surrendering NBFC License.

### **RPP-ANNAI (JV) Private Limited**

RPP- Annai (JV) Private Limited has been incorporated on 10<sup>th</sup> July 2019 to execute a project in joint venture with Annai Infra Developers Limited. The entire paid up capital of this company is held in ratio of 51% and 49 % respectively between the company and joint venture partner.

The Company had operational revenues ₹ 35.08 Crores during the year ended 31<sup>st</sup> March 2023 and very insignificant net loss for the year.

### **R.P.P Infra Projects Myanmar Ltd**

RPP Infra Projects Myanmar Ltd is an associate of your Company and has been incorporated under Myanmar Companies Act, 2017 as a private limited by Shares. The Company had no operational revenues during the year ended 31<sup>st</sup> March 2023.

The Company has kept the financial statements along with the audit reports of all these subsidiaries open for inspection at the registered office of the Company. Further, the Company will provide a copy of financial statements to any shareholder, who asks for it. Further, pursuant to Section 136 of the Act, the financial statement of the Company, consolidated financial statement along with the relevant documents and separate audited financial statements in respect of subsidiaries are available on the website of the Company.

As required under the Section 129(3) of Companies Act, 2013 and Regulation 34(2) of SEBI (LODR) Regulation, 2015, a consolidated financial statement along with Audit Report thereon of the Auditors forms a part of the financial statement. Further, statements pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 containing the brief financials of the subsidiaries in form AOC-1 is attached with this report as **Annexure – 3**.



At present, none of the subsidiaries are material subsidiary. A copy of the policy determining 'material' subsidiaries has been hosted on the website of the Company at the weblink <http://www.rppi.com/>

## 15. Consolidation of Accounts

Your Company has prepared Consolidated Financial Statements as per Ind AS prescribed under Section 129 read along with Section 133 and prescribed rules of Companies Act, 2013. The Consolidated Financial Statements reflect the financial position of the Company and Associates. As required by Regulation 34 of the SEBI (LODR) Regulations 2015, the Audited Consolidated Financial Statements together with the Independent Auditor's Report thereon are annexed and form part of this Annual Report.

## 16. Risk Management Policy

Risk management is an integral part of the business. The risk management process, inter alia, provides for a review of the risk assessment and mitigation procedures with timely reporting to the management and review of the identified risks at periodic intervals to assess the progress of control measures.

The Audit committee of the Board also oversees and serves as Risk Management Committee. The Board has also constituted a Risk Management Team. The Committee had formulated a Risk Management policy that outlines the different kinds of risks and risk mitigating measures. The major risks are reviewed for the change in their nature and extent since the last assessment. It also provides control measures for risks and future action plans. Your Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

The details about risk and its management is provided in details appropriately in the report. The Risk Management Team works and makes report to Audit Committee. The policy and terms of reference have been provided in Corporate Governance Report forming part of the Directors Report.

## 17. Directors and Key Managerial Personnel

During the financial year 2022-23, your Board had six directors and no changes took place in composition of the Board during the year. Details including profile of Directors are provided in the Corporate Governance Report, which forms a part of the Board Report.

Half of the Board of the Company comprises of independent directors (ID) and the composition of the Board of Directors are in compliance with regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Obligations) Regulations 2015 and Section 149 of the Companies Act, 2013.

In terms of Section 152(6)(d) of the Companies Act, 2013, Mr Muralidasan Perumal (DIN 01771215) is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for re-appointment. The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee,

has recommended the re-appointment of Mr Muralidasan Perumal (DIN 01771215) at the ensuing AGM.

Further, Mr. Thangavel would be appointed as independent director in ensuing AGM. The same has been duly approved by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

Director has recommended the Mr Subramanian Neelakantan as independent director but same was rejected in postal ballot passed on 26<sup>th</sup> July, 2023.

Brief resume of the Director proposed to be re-appointed has been provided in the Notice convening the Annual General Meeting. Specific information about the nature of his expertise in specific functional areas and the names of the companies in which he held Directorship and membership/chairmanship of the Board Committees as per regulation 26(4) of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 have also been provided.

Mr. A Karthiswaran has hold the position of Company Secretary from 28<sup>th</sup> August, 2022 to 30<sup>th</sup> March, 2023. Mr. Shammi Prakash was appointed as Company Secretary as on 30<sup>th</sup> March, 2023.

## Significant and Material Orders Passed by the Regulators, Courts Or Tribunals

There are no significant material orders passed by the Regulators / Courts / Tribunals which impact the going concern status of the Company and its future operations.

WRIT Petition is under process against the Income Tax Settlement Commission Order which has been completed in the Financial Year 2019-20 and Tax due has been paid as per ITSC order in three instalments. Two instalments paid in the financial year 2019-20 and due to Covid 19 final instalment paid in financial year 2020-21.

## 18. Insurance

All insurable interest of the Company including, buildings, furniture and fixtures and other insurable interest are adequately insured.

## 19. Statement in Respect of adequacy of Internal Financial Control with Reference to the Financial Statements

### Internal Controls

A robust system of internal control, commensurate with the size and nature of its business, forms an integral part of the Company's corporate governance policies. Internal Audit has been conducted by qualified external and internal auditors. Findings of the internal auditor are reviewed by the management and the report of internal auditor is placed before the Audit Committee and proper follow-up action are ensured wherever required. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

## Internal Financial Controls

As per Section 134(5) (e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust systems and frameworks of internal financial controls.

These include those policies and procedures that:

- i. Pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company
- ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles and that the receipts and expenditures are being made only in accordance with authorizations of the management and the Directors of the Company and
- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that can have a material effect on the financial statements.

This provides the Directors reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks to enable them to meet these responsibilities. The Company has devised appropriate systems and frameworks including proper delegation of authority, policies and procedures, effective IT systems aligned with business requirements, internal audit framework, risk management frameworks and whistle blower mechanism.

The Audit committee regularly reviews the internal control system to ensure that it remains effective and aligned with business requirements. Where weaknesses are identified as a result of the reviews, new procedures are put in place to strengthen controls and are in turn reviewed at regular intervals.

The Company has developed a framework for designing and assessing effectiveness of internal controls over financial reporting and has already laid down entity-level policies and process-level standard operating procedures.

The entity-level policies comprise anti-fraud policies (code of conduct including conflict of interest, confidentiality and whistle blower policy) and other policies (organization structure, roles and responsibilities, insider trading policy, related party policy, prevention of sexual harassment policy, risk management policy, policy for materiality of information or events and policy for preservation of documents). The Company has also prepared standard operating Practices for each of its processes of revenue to receive, procure to pay, hire to retire, finance and accounts, fixed assets, treasury, inventory, operations and administrative expenses.

The management assessed the effectiveness of the internal financial controls over financial reporting as of 31<sup>st</sup> March 2023 and the Board believes that the controls are adequate.

## 20. Deposits

The Company has not accepted any deposits from members or the public in terms of Section 73 or Section 76 of the Companies Act, 2013.

## 21. Declaration by Independent Directors

The Independent Directors have submitted the declaration of independence, stating that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and SEBI LODR Regulations, 2015.

## 22. Receipt of any Commission by Managing Director/ Whole Time Director from the Company or Receipt of Commission/ Remuneration from Subsidiary

The Managing Director/Whole Time Director are not in receipt of any commission from the Company or any commission/remuneration from any of subsidiaries.

## 23. Independent Auditor

Mr. Duraiswamy S N, Chartered Accountant bearing the membership No. 026599 was appointed as Statutory Auditors of the Company for the period of five years and their term of office is till conclusion of the Financial year 2023-24.

Statutory Auditor, Mr. Duraiswamy S N, Chartered Accountant, have confirmed their eligibility for continuing as Statutory Auditors of the Company.

## 24. Cost Auditor

As per the requirement of Section 148 of the Companies Act, 2013 the Board of Directors, on the recommendation of Audit Committee, has appointed M/s S V M & ASSOCIATES, (Firm Registration Number: 000536) Cost Accountant Firm, as Cost Auditor to audit the cost accounts of the Company for the financial year 2022-23.

Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are maintained by the Company. Cost Auditor has provided his report on the audit of cost records which has been duly filed with Registrar of Companies.

Ms. Rajam Alwan, Cost Accountants (Registration No. 45812) be and are hereby appointed as the Cost Auditors of the company to conduct audit of cost records made and maintained by the company for financial year commencing on 1<sup>st</sup> April 2023 and ending on 31<sup>st</sup> March 2024

## 25. Secretarial Audit Report

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors has appointed Lakshmmi Subramanian &



Associates, Company Secretaries firm, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial year ended on 31<sup>st</sup> March 2023.

The Secretarial Audit report issued by Mr. P.S. Srinivasan, Partner, Lakshmi Subramanian & Associates, Company Secretaries firm in Form MR-3 pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, has been enclosed with this report as **Annexure – 4**.

No qualifications has been made by the Secretarial Auditor, however, certain observation has been made, which is explained in sequence as provided in his report as below:

1. The first observation is self-explanatory and do not require any explanation.
2. The second observation is also self-explanatory and company has taken steps to strictly comply with secretarial standards.
3. Third observation is also self-explanatory and company has taken steps to address the lapse and delays in compliance with SEBI (LODR) Regulations, 2015.
4. Fourth observation is also self-explanatory and Company is in the process of updating website.
5. The fifth observation is also self-explanatory and company has already given reply.
6. The Sixth observation is also self-explanatory. The delayed submission of intimation is inadvertent. Same has been submitted with small delay
7. The Seven observation is also self-explanatory and company is in the process of appointment of Independent director in ensuing AGM
8. The Eight observation is also self-explanatory and company has implemented an SDD so far and updated all records as per SEBI PIT Regulations, 2015
9. The Nine observation is also self-explanatory and Company has taken steps to address the gaps and non-compliance in maintenance of statutory register

## 26. Auditors' Report

The Statutory Auditor's Report for both standalone and consolidated financial statements of the Company is provided along with the financial statements.

One observation that there is a difference in paid-up share capital between books of accounts and MCA portal. We have rectified it at the time of subsequent allotment.

Further, the disclaimer made both in Standalone and Consolidated Financials are self-explanatory. Your Board would like to clarify that the accounts of both overseas subsidiaries Sri Lanka and Mauritius and branches in Sri Lanka and Bangladesh have been audited and auditors report does not contain any qualification/reservation. Due to some logistics problem, the same could not be provided to the Statutory Auditors at the time of audit and hence financials have been provided and audit has been done based on information but the auditor's report could not be provided to them at relevant time. Board has taken note of same.

## 27. Audit Committee

The Company has Audit Committee in compliance to the Section 177 of Companies Act, 2013 and SEBI (LODR) Regulations, 2013. The details about composition of the Audit Committee, its terms of reference, meetings, etc. have been provided in the Corporate Governance Report.

There were no such incidences where the Board has not accepted the recommendations of the Audit committee during the year.

## 28. Corporate Social Responsibility (CSR)

The Company has Corporate Social Responsibility Committee in compliance to the provisions of the Companies Act, 2013. The Committee has adopted policy for Corporate Social Responsibility. The Committee defines the parameters and observes them for the effective discharge of social responsibility of the Company.

A report on Corporate Social Responsibility, including details as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed with this report as **Annexure - 5**.

## 29. Nomination & Remuneration Committee

The Company has constituted Nomination and Remuneration Committee in compliance to the Section 178 of Companies Act, 2013 and SEBI (LODR) Regulations, 2013. The Company strongly believes that its human resource has infinite potential and therefore, their development is the key to organizational effectiveness. We commit ourselves to integrate human resources with organizational growth and development for mutual benefit. The Nomination and Remuneration policy has been formulated in compliance to the requirement of Companies Act, 2013 and SEBI (LODR) Regulations, 2013.

The details about composition of the Committee, Nomination and Remuneration Policy and other terms and condition, including its terms of reference, have been provided in the Corporate Governance Report.

### 30. Performance Evaluation

Pursuant to provisions of the Companies Act, 2013, and SEBI (LODR) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually, including Independent Directors, as well as the evaluation of the working of its Committees, i.e., Audit and Nomination & Remuneration committees.

A structured format was prepared to rate after taking into consideration inputs received from Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture and execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of Independent Directors. The performance evaluation of Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

The mechanism for the evaluation of the Board is given in detail in the Corporate Governance report.

### 31. Human Resources

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of its business. It considers people as its biggest assets. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership. Your Company facilitates proper induction and appropriate upgrade for the skills.

### 32. Disclosure on Establishment of a Vigil Mechanism

The Board of Directors has adopted a Whistle Blower policy. The policy aims for conducting the affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Directors and all permanent employees of the Company are covered under the Whistle Blower Policy. A mechanism has been established for Directors/ Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of code of conduct and ethics. It also provides for adequate safeguards against the victimization of Directors/ Employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. A copy of the Whistle Blower Policy is also hosted on the website of the Company.

### 33. Secretarial Standard

The company has complied with the Secretarial Standards, SS-1 and SS-2 issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings. Company also endeavour and ensure compliance of other secretarial standard.

### 34. Managerial Remuneration

Disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been enclosed with this report as **Annexure – 6**.

### 35. Disclosure as per Listing Regulations

Disclosures pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been provided in **Annexure – 7** apart from those which are provided/ covered in Corporate Governance.

### 36. Management Discussion and Analysis report

As per Regulation 34(3) and Schedule V of SEBI (LODR) Regulation, 2015, a separate section on Management Discussion and Analysis report forms an internal part of Directors' Report as **Annexure – 8**.

### 37. Corporate Governance

As per Schedule V of SEBI (LODR) Regulation, 2015, a separate section on corporate governance practices followed by the Company, report on Corporate Governance together with a certificate confirming compliance and CEO/CFO Certificate by the Managing Director and Chief Financial Officer forms an integral part of this Directors' Report as **Annexure – 9**.

### 38. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

As per the information of the Company as on date of this report, no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

### 39. Companies (Auditor's Report) Order, 2020

The report as provided is self-explanatory.

### 40. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has adopted a policy on prevention of sexual harassment of women at workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has also created an Internal Complaints Committee headed by Mrs. A Nithya, Whole-time Director and Chief Financial Officer of the Company who directly reports to the Chairman & Managing Director. During the financial year ended



31<sup>st</sup> March 2023, the Company has not received any complaints pertaining to sexual harassment. A copy of the policy on Sexual harassment is also hosted on the website of the Company.

#### **41. Directors responsibility statement**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2023 and of the profit /loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and
- f) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

#### **42. Transfer to Investor Education and Protection Fund**

The Company transferred the dividend remaining unclaimed by the members of the company to Investor Education and Protection Fund. The detail pertaining to transfer has been provided in corporate governance report.

#### **43. Acknowledgment**

Your Directors take this opportunity to offer their sincere thanks to all stakeholders including the various departments of the central and state governments, government agencies, banks, financial institutions, shareholders, customers and employees who through their continued support and co-operation have helped in your Company's progress.

For and on behalf of the Board of Directors

**P Arulsundaram**  
Chairman & Managing Director  
DIN 00125403

Place: Erode

Date: 4<sup>th</sup> September, 2023

## ANNEXURE – 1

**FORM NO. AOC -2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013, including certain arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis.**

All transactions entered into with related parties as provided under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulation, 2015, during the financial year 2022-23 were in the ordinary course of business and on arm's length basis.

**2. Details of contracts or arrangements or transactions at Arm's length basis:**

All transactions entered into with related parties as provided under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulation, 2015, during the financial year 2022-23 were in the ordinary course of business and on arm's length basis and has been duly approved as mentioned in these provisions. There were no materially significant transactions with related parties during the financial year which were in conflict with the interests of the Company.

Suitable disclosure as required by the Accounting Standards (AS18) has been made in the Note No. 44 in Standalone Financial and in Note No. 45 in Consolidated Financial regarding related party transaction. The same may be treated as part of this Report.

The Board has approved a policy for related party transactions which was hosted on the website of the Company.

The Company do enters into bidding agreement with related parties for making of bidding to various organization including Government departments as per qualification criteria. These agreements when made are made in ordinary course of business and on arm's length basis as acceptable in this industry. Company ensures to have similar/ same terms and conditions for all agreements in case of related party as in case of un-related party. These are as per the bidding agreement, where formal agreement needs to be entered on award of the work by the Government department.

Company do obtain omnibus approval of the Audit Committee and wherever it goes forward for the contract and also obtains Board/ Members approval. Company will also approach for omnibus approval to the shareholders to seek their prior approval as some of these may be material related party transection as per SEBI LODR Regulation, 2015. These will work as omnibus approval. Company will ensure that any contracts/ agreements as made, are in ordinary course of business and at arm's length price.





## ANNEXURE – 2

### The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

The details of energy, technology absorption and foreign exchange earnings and outgo are as under:

#### A. Conservation Of Energy:

The steps taken for conservation of energy:	The Company is engaged in construction and infrastructure activities and efforts are taken to conserve energy wherever possible by economizing on the use of power and fuel at the various sites. The Company has neither taken any specific steps for utilizing alternate source of energy, nor has made any capital investment on energy conservation equipments.
The steps taken for utilizing alternate sources of energy:	
The capital investment on energy conservation equipments:	

#### B. Technology Absorption:

Efforts made, benefits derived, expenditure, import and areas where absorption not taken place: The Company has not absorbed any particular technology from any external sources. However the Company consciously adopts latest technology available in the Industry to assure better quality of work and reduction in cost.

#### C. Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and outgo during the financial year 2022-23 are as follows:

For the financial year	2022-23
Foreign exchange earnings	
Foreign exchange outgo	

(₹ in crore)

## ANNEXURE – 3

## Form No. AOC – 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part “A”: Subsidiaries

Sl No	Name of the Subsidiary	R.P.P Infra Projects (Lanka) Limited	R.P.P Infra Overseas PLC	Sanskar Dealcom Private Limited	Greatful Mercantile Private Limited	Lunkar Finance Private Limited	RPP-Annai (JV) Private Limited
1	Reporting period for the subsidiary concerned	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	LKR INR/LKR – 0.26	US \$ INR/USD – 0.01	INR -	INR -	INR -	INR -
3	Share Capital	0.05	0.02	0.03	0.03	0.42	0.01
4	Reserves & surplus	0.36	9.70	0.14	0.14	15.87	-0.03
5	Total assets	7.76	18.81	0.18	0.19	16.29	9.05
6	Total Liabilities	6.35	9.08	0.01	0.01	0.00	9.11
7	Investments	0.00	0.00	0.18	0.18	0.00	0.00
8	Turnover	0.00	0.00	0.00	0.00	0.00	35.08
9	Profit before taxation	3.25	-0.19	0.00	0.00	-0.04	-0.04
10	Provision for taxation	0.00	0.00	0.00	0.00	0.00	0.00
11	Profit after taxation	3.25	-0.19	0.00	0.00	-0.04	-0.04
12	Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00
13	% of shareholding	100%	100%	100%	100%	100%	51%

Notes:

- Names of subsidiaries which are yet to commence operations: None of the subsidiaries are yet to commence operations as all were operating company earlier.
- Names of subsidiaries which have been liquidated or sold during the year: None of the subsidiaries were liquidated or sold during the year.
- The rate of conversion of foreign currency has been taken as on 31<sup>st</sup> March 2023.

## Part “B”: Associates and Joint Ventures

Sl No.	Name of the Company	R.P.P Infra Projects Myanmar Ltd
1	Latest audited Balance Sheet Date	Nil
2	Shares of Associate/Joint Ventures held by the company on the year end	Nil
	(i) Number	Nil
	(ii) Amount of Investment in Associates/ Joint Venture	Nil
	(iii) Extent of Holding %	Nil
3	Description of how there is significant influence	Nil
4	Reason why the associate/joint venture is not consolidated	Nil
5	Networth attributable to Shareholding as per latest audited Balance Sheet	Nil
6	Profit / Loss for the year	Nil
	(i) Considered in Consolidation	Nil
	(ii) Not Considered in Consolidation	Nil

Notes:

- Names of associates or joint ventures which are yet to commence operations: The associate R.P.P Infra Projects Myanmar Ltd yet to commence of business. The Company has been incorporated but no activity has been carried by it till now.
- Names of associates or joint ventures which have been liquidated or sold during the year: Company has neither liquidated nor sold any of associates or joint ventures during the year.

**Form No. MR-3****Secretarial Audit Report for the financial year ended 31.03.2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members

**RPP INFRA PROJECTS LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RPP Infra Projects Limited (hereinafter called the company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31<sup>st</sup> March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 and Exchange Circular no. 20230316-14 dated March 16, 2023 (Regulation 24A of SEBI(LODR)

- (a) all the documents and records made available to us and explanation provided by RPP Infra Projects Limited ("the Listed Entity"),
- (b) the filings/submissions made by the Listed Entity to the Stock Exchange,
- (c) website of the listed entity,
- (d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained RPP Infra Projects Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2023.
- (e) according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:
  - i. The Companies Act, 2013 (the Act) and the Rules made there under;

- ii. The Securities Contracts (Regulation) Act, 2018 ("SCRA") and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (c) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time;
  - (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
  - (f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the review period)
  - (g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the review period)
  - (h) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the review period)
  - (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable

Preference Shares) Regulations, 2013 (Not applicable during the review period)

- (j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the review period)
- (k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009
- (l) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003

**We hereby report that**

- a. The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except to the extent given under Secretarial Compliance Report (24A) available in the BSE and NSE websites.
- b. The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
- c. **Actions have been taken against the listed entity on few events by stock exchange (NSE & BSE) under the aforesaid acts/regulations/ circulars/ guidelines issued thereunder as specifically mentioned in 24A Audit Report:**
  - The Company received warning letter by NSE for Delay in Submission of Financial Result for the quarter ended December 2022 to the Stock Exchange as per Regulation 30(6) of SEBI (LODR) Regulation, 2015.
  - The Company received reminder mail from BSE for Non-Submission of Statement of deviation and Variations for the quarter ended 31<sup>st</sup> December 2022 as per Regulation 32(1) of SEBI (LODR) Regulation, 2015.
  - The Company received reminder mail from NSE for the Non- Compliance of Regulation 34 of SEBI (LODR) Regulation, 2015 for Non-filing of Annual Report in XBRL Mode for FY 2021-2022
  - The Company received reminder mail from NSE for the Non- Compliance of Regulation 3(5) & 3(6) of SEBI (PIT) Regulations, 2015 for Non filing of SDD Compliance Certificate to stock exchange.

**We have also examined the compliance with the applicable clauses of the following:**

- 1. The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said

stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- 2. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

**In our opinion and as identified and informed by the Management, the following Acts, Laws and Regulations are specifically applicable to the Company:**

- 1. Labour Laws as follows:**
  - a. The Employees Provident Funds and Miscellaneous Provision's Act, 1952.
  - b. Employees' State Insurance Act, 1948.
  - c. Minimum Wages Act, 1946.
  - d. Contract Labour (Regular and Abolition) Act, 1970
  - e. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
  - f. Maternity Benefit Act, 1960
  - g. Industrial Disputes Act, 1961
  - h. Payment of Bonus Act, 1965
  - i. Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988
  - j. Child Labour (Prohibition & Regulation) Act, 1986
  - k. Equal Remuneration Act, 1976
  - l. Payment of Gratuity Act, 1979
  - m. Industrial Employment (Standing Orders) Act, 1946
- 2. Housing Board Act, 1965**
- 3. Transfer of Property Act, 1882**
- 4. Building and Other Construction Worker's (Regulation of Employment and Conditions of Services) Act, 1996**
- 5. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

**It is reported that during the period under review, the following was observed:**

- 1. The company has been identified as ESM: Stage 1 by BSE.
- 2. The Company is yet to improve in Secretarial Standard.
- 3. The Company is yet to strictly comply with SEBI (LODR) Regulations, 2015 among other deviations as observed in 24A Audit filed with Bombay Stock Exchange.
- 4. The Website of the Company is not actively updated, Company is taking steps to update the website with relevant information according to Regulation 46 of SEBI(LODR)
- 5. Non- Compliance of Regulation 4 of SEBI (PIT) Regulations, 2015 during the Closure period in April 2022.
- 6. There was Delay in the filing of following forms CRA-4, AOC-4 XBRL, MGT-14, CHG-1(along with Ad Valorem fees) and (3) CHG-



1, PAS-3 however the same was filed with additional fee with the Registrar of Companies.

7. The Company is in the process to appoint an Independent Director to fulfill the Composition of Board of directors of the Company.
8. Non-compliance of SDD for the quarter ended June 30, 2023
9. The Company yet to maintain strictly its statutory registers.

**We further report that there were no actions/events in the pursuance of**

1. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
2. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
3. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
4. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
5. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 requiring compliance thereof by the Company during the Financial Year under review.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws has not been reviewed in this Audit since the same have been subject to review by Statutory financial auditor and other designated professionals.

**We further report that**

The Company is not constituted with a proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. Changes took place in the composition of the Board of Directors after the resignation of Mr. Rangasamy Kulanthasamy Non-Executive-Independent Director of the Company and the company is yet to appoint an independent director during the period under review.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs, except the following:**

1. Appointment of Mr. A. Karthiswaran as Company Secretary and Compliance Officer of the Company w.e.f. 28<sup>th</sup> September 2022.
2. Re-appointment of Mr. P Arulsundaram (DIN: 00125403) as Chairman and Managing Director of the Company for a period of 3 years w.e.f. 01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2026 at its Annual General Meeting held on 30<sup>th</sup> September 2022.
3. Re- appointment of Mrs. A. Nithya (DIN: 00125357) as Whole Time Director and Chief Financial Officer of the Company for a period of 3 years w.e.f. 01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2026 at its Annual General Meeting held on 30<sup>th</sup> September 2022.
4. Resignation of Mr. A Karthiswaran from the post of Company Secretary & Compliance officer of the Company w.e.f. 30<sup>th</sup> March 2023.
5. Appointment of Mr. Shammi Prakash as Company Secretary & Compliance Officer of the Company w.e.f. 30<sup>th</sup> March 2023.
6. Preferential issue of 300000 equity share and 1.15 crores warrants @44.25 per share/warrants. Company has made allotment of 300000 equity share of the face value 10 and 1.15 crores convertible warrants is issued @44.25 warrant as on 06<sup>th</sup> March, 2023 and each warrant will be converted into one equity share of face value of 10 each within the 18 months' time limit from the date of allotment.

**Events reported after the end of financial year and before signing of this report:**

1. The Company made a Rights Issue of up to 1,42,30,000 partly paid-up equity shares of face value of Rs.10 each ("Rights Equity Shares") of the Company for cash at a price of Rs. 30 per Rights Equity Share (including a premium of Rs.20 per 'Rights Equity Share) aggregating up to Rs. 42,69,00,000 on a rights basis to the Eligible Equity Shareholders of the Company in the ratio of 3:5, During the Financial Year the Company has allotted 480005 equity shares and 437579 partly paid share was converted on fully paid as on 13<sup>th</sup> June 2023 and remaining outstanding partly paid share is 276700.
2. Resignation of Mr. Rangasamy Kulanthasamy (DIN 07103549) as Non-Executive-Independent Director of the Company w.e.f. 21<sup>st</sup> April, 2023.
3. The Company re-constituted its Audit Committee, Nomination and Remuneration Committee, Rights Issue Committee and allotment Committee.

4. The Company received the confirmation from MCA for the Name change of the company from the existing R.P.P INFRA PROJECTS LIMITED to SRI R.P.P INFRA PROJECTS LIMITED, the company is yet to obtain shareholders approval for the said change.
5. Appointment of Mr. Thangavel as the Independent Director of the Company subject to approval at the ensuing Annual General Meeting.
6. Mr. P Arulsundaram Gifted 10,157 shares to Ms. Tharunya N. A. dated 30<sup>th</sup> June 2023.
7. Mr. P Arulsundaram Gifted 3919,515 shares to Ms. N.A, Yagavi's Promoters Account dated 30<sup>th</sup> June 2023.

For **M/S. LAKSHMMI SUBRAMANIAN & ASSOCIATES**

P.S. SRINIVASAN  
PARTNER

ACS NO - 1090

CP NO - 3122

UDIN: A001090E000935364

Peer Review Certificate No: 1670/2020

Place: Chennai

Date: 04<sup>th</sup> September 2023

## ANNEXURE – A

To,  
The Members

### **RPP INFRA PROJECTS LIMITED**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M/S. LAKSHMMI SUBRAMANIAN & ASSOCIATES**

P.S. SRINIVASAN  
PARTNER

ACS NO - 1090

CP NO - 3122

UDIN: A001090E000935364

Peer Review Certificate No: 1670/2020

Place: Chennai

Date: 04<sup>th</sup> September 2023



## ANNEXURE – 5

### Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

- Brief outline on CSR Policy of the Company.

The Company as per its CSR Policy has decided to engage in following CSR activity:

- Promoting Education.
- Reducing child mortality and improving maternal health.
- Encouraging women entrepreneurs and conducting various counselling programs.
- Eradicating hunger, poverty & malnutrition.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the central government for socio-economic development.

- Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. P. R. Sundararajan	Independent Director/ Chairman	1	1
2.	Mr. P. Muralidasan	Non-Executive / Member	1	1
3.	Mrs. A. Nithya	Promoter/ Member	1	1

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<http://www.rppi.com/corporate-governance-code-of-conduct.php>

- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not applicable.

- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

- Average net profit of the company as per section 135(5); ₹ 23.71 Crores

- Two percent of average net profit of the company as per section 135(5): ₹ 0.47 Crores
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
- Amount required to be set off for the financial year, if any: Nil
- Total CSR obligation for the financial year (7a+7b-7c). ₹ 0.47 Crores

- (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
51,10,000	NIL	NIL	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: **NIL**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency Name
				State	District			
1.	Promoting education and environmental sustainability	Promoting education and environmental sustainability	Yes	Tamil Nadu/	Erode	10,000	No	SURYA TRUST
2.	Promoting education and environmental sustainability	Promoting education and environmental sustainability	Yes	Tamil Nadu/	Erode	1,00,000	No	SANGAMAM TRUST
3.	Promoting education and environmental sustainability	Promoting education and environmental sustainability	Yes	Tamil Nadu/	Erode	50,00,000	No	ERODE BUILDER EDUCATION TRUST
<b>Total</b>						<b>51,10,000</b>		

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹ 51.10 Lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ in crore)
(i)	Two percent of average net profit of the company as per section 135(5)	0.47
(ii)	Total amount spent for the Financial Year	0.51
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.04
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	-	47,00,000	-	-	-	-
2.	2021-22	-	65,32,667	-	-	-	-
3.	2022-23	-	51,10,000	-	-	-	-
<b>Total</b>		<b>-</b>	<b>1,63,42,667</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil





10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The Company is committed to CSR policies adopted by it. Company spend based on the policy with view to ensure rightful utilization. During the last three financial years, Company has spent the amount much higher to prescribed CSR to be spent.

**P R Sundararajan**

Chairman of the CSR Committee  
DIN: 02181130

**P Arulsundaram**

Chairman & Managing Director  
DIN: 00125403

Place: Erode

Date: 04<sup>th</sup> September 2023

## ANNEXURE – 6

**Disclosure pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

S. No.	Name of the Director	Ratio to median remuneration (times)
1.	Mr. P. Arulsundaram, Chairman and Managing Director	45
2.	Mrs. A. Nithya, Whole-Time Director and CFO	21
3.	Mr. K. Rangasamy, Independent Director	NIL
4.	Mr. P. Muralidasan, Non Executive Director	NIL
5.	Mr. P. R Sundararajan, Independent Director	NIL
6.	Mr. R. Kalaimony, Independent Director	NIL

\*The Director's other than Managing Director and Whole-Time Director were paid only sitting fees for attending the meeting and were not been paid any remuneration.

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

S. No.	Name of the Director	Percentage increase in remuneration
1.	Mr. P. Arulsundaram, Chairman and Managing Director	NIL
2.	Mrs. A. Nithya, Whole-Time Director and CFO	NIL
3.	Mr. K. Rangasamy, Independent Director	NIL
4.	Mr. P. Muralidasan, Non-Executive Director	NIL
5.	Mr. P. R Sundararajan, Independent Director	NIL
6.	Mr. R. Kalaimony, Independent Director	NIL

- (iii) The percentage Increase in the median remuneration of employees in the financial year 2022-23:

67%.

- (iv) The number of permanent employees on the rolls of company:

There are 1,112 permanent employees on the rolls of the Company.

- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There was no average increase in remuneration for employees other than Key Managerial Person. Similarly no increase in managerial remuneration was provided during the financial year.

The increase in managerial remuneration are considered based on their potential, performance and contribution to the overall growth of the Company as well as performance of the Company. The present managerial remuneration is still below the level of remuneration generally being paid in the industry, however, Board has decided to carry on the same level of remuneration.

- (vi) Affirmation that the remuneration is as per the Remuneration policy of the Company:

The remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.



2. **A statement showing the terms of the provisions of section 197 of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

(i) The names of top ten employees in terms of remuneration drawn during the period under review:

Sl No.	Name	Designation	Remuneration (₹ in lakhs)	Qualification	Experience (Years)	Date of Joining	Age	Last Employed
1.	P. Arul Sundaram	Chairman cum Managing Director	48.00	B.E (Civil)	27	04.05.1995	54	First Employment
2.	A. Nithya	Whole Time Director & CFO	21.00	MBA	23	19.02.1999	48	First Employment
3.	C.S. Ajay	Director- Projects	24.00	B.Arch.	9	01.11.2020	32	Second Employment
4.	C.Vadivel	DGM – Projects	13.23	DCE	28	02.04.2012	46	URC Construction Pvt Ltd
5	ARJUNAN	Senior Manager	8.26	B.SC	15	01-01-2008	58	First Employment
6	Sivakumar. T	Project Manager	6.77	DCE	21	17-12-2001	36	First Employment
7	Sathish S.B	Project Manager	6.68	B.E.(CIVIL)	18	06-02-2006	40	First Employment
8	B Gurumoorathi	Manager-Finance	6.45	MBA	18	08-09-2005	36	First Employment
9	G Sundaragandhi	Manager	5.24	Diploma in Industrial Safety	25	01-04-2004	62	SPAC Poonachi
10	Bhuvaneshwari	Assistant Manager-IT	4.65	B.Com	13	01-02-2016	34	M/s. Karthikeyan & Jayaram

Note:

- Employment in all the cases are contractual.
  - The information in cases of previous employer not provided wherever they have started working with this company.
  - Out of above only Mr. P. Arulsundaram, Chairman and Managing Director and Mrs. A. Nithya, Whole Time Director and CFO holds shares beyond 2%, and are promoters of the Company and are spouse. Mr. P. Arulsundaram and Mrs. A. Nithya holds 1,16,29,509 equity shares constituting 30.70% and 76,99,837 shares constituting 20.33% respectively and aggregating to 1,93,29,346 equity shares and 51.03% of the total paid-up capital of the Company at the end of financial year 2022-23.
- (ii) None of the employees of the Company, whether employed for the whole year or part thereof has been in receipt of remuneration in excess of limit provided under the rules, i.e. ₹ 102 Lakh per annum or ₹ 8.5 Lakh per month. Further none of the employees of the Company whether employed for the whole year or part thereof has been in receipt of remuneration in excess of remuneration drawn by the MD or WTD and holding more than 2% of equity shares of the Company.

## ANNEXURE – 7

**[Disclosure pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]****1. Related Party Disclosure:**

- (i) The Company has made relevant disclosure pursuant to and in compliance with the Accounting Standard on “Related Party Disclosures” which is provided in notes to account in the financial statement and may be deemed to be part of the directors report. A declaration to the extent has been provided at the appropriate annexure.
- (ii) The brief disclosure in relation to the disclosure requirements has been provided elsewhere in the report appropriately as required below:

Sl No	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1	Holding Company	<ul style="list-style-type: none"> <li>Loans and advances in the nature of loans to subsidiaries by name and amount.</li> <li>Loans and advances in the nature of loans to associates by name and amount.</li> <li>Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.</li> </ul>
2	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company.
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.

The related party disclosure as made in point (i) covers all the details as mentioned above. The information as provided is not applicable.

- (iii) Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results is provided in notes to account in the financial statement and may be deemed to be part of the directors report.
- (iv) Material related party transactions has been earlier approved and further omnibus material related party transactions are being placed for approval of members.
- (v) The Company do enters into bidding agreement with related parties for making of bidding to various organization including Government departments as per qualification criteria. These agreements when made are made in ordinary course of business and on arm's length basis as acceptable in this industry. Company ensures to have similar/ same terms and conditions for all agreements in case of related party as in case of un-related party. These are as per the bidding agreement, where formal agreement needs to be entered on award of the work by the Government department.
- (vi) Company do obtain omnibus approval of the Audit Committee and wherever it goes forward for the contract and also obtains Board/ Members approval. Company will also approach for omnibus approval to the shareholders to seek their prior approval as some of these may be material related party transaction as per SEBI LODR Regulation, 2015. These will work as omnibus approval. Company will ensure that any contracts/ agreements as made, are in ordinary course of business and at arm's length price.

2. Management discussion and analysis report:

Management Discussion and Analysis Report forming part of Directors Report is separately provided as Annexure 8.

3. Corporate Governance Report:

Details as required under Para C, Para D and Para E of the Schedule V of the SEBI (LODR) Regulation, 2015, Report on Corporate Governance along with declaration by Chief Executive Officer on code of conduct and compliance certificate on compliance of corporate governance and other details as provided as Annexure 9.



4. Disclosures with respect to demat suspense/ unclaimed suspense account:

The following are the unclaimed shares in the Demat Suspense Account of the Company as at 31<sup>st</sup> March 2022:

<b>Particulars</b>	<b>Number of Shareholders</b>	<b>Outstanding shares in the Suspense Account</b>
Aggregate number of shareholders and outstanding shares in the suspense account lying at the beginning and end of the year.	NIL	NIL
<b>Total</b>		

During the year, there was no movement of shares in the suspense account has taken place and the shares still remains in suspense account. The shares held in suspense account shall remain frozen till the rightful owners of such shares claim the shares.

# Management's Discussion and Analysis

## INDIAN ECONOMY

India maintained its growth momentum, with the country recording an estimated 7.2% GDP growth, as compared to 7% growth projected in 2022-23. With this growth trajectory, India is expected to become the 3<sup>rd</sup> largest economy in the next few years.

India has to enhance its infrastructure sector to reach its target of US\$ 5 trillion economy. For this, connectivity and robust infrastructure are crucial and programs like the National Infrastructure Pipeline provides the required boost to the sector.

The construction market is expected to reach US\$ 1.42 trillion by 2027, expanding at a CAGR of 17.26% during the 2022-2027 period.

### Highlights of Union Budgets 2023-24:

- Capital investment outlay for infrastructure is being increased by 33% to ₹10 lakh crore, which would be 3.3% of GDP and almost 3x the outlay in 2019-20
- Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure
- Continuation of 50-year interest-free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions, with a significantly enhanced outlay of ₹1.3 lakh crore
- Under the National Infrastructure Pipeline (NIP), projects worth ₹108 trillion are currently under various stages of implementation
- In November 2022, National Investment and Infrastructure Fund (NIIF) has been set up as a collaborative investment platform between the government, global investors, multilateral development banks and domestic financial institutions to facilitate investment across multiple sectors in India through an India Japan Fund

## INDUSTRY STRUCTURE AND DEVELOPMENTS

Infrastructure is essential for economic prosperity. In the 25 years (Amrit Kaal) following India's 75<sup>th</sup> anniversary of independence in 2021, as the country endeavours for sustainable and inclusive progress, infrastructure development becomes even more crucial.

Investments in infrastructure yield numerous benefits, such as job creation, enhanced global competitiveness, attraction of Foreign Direct Investment (FDI), seamless economic integration, and enhanced living standards. After the pandemic, shifting geopolitical landscape and diversification of the global value chain present an opportunity for India to emerge as a significant global economic hub.

Infrastructure development is crucial to achieve the India 2047 vision for a \$40 trillion economy and be reclassified from a developing economy to a developed economy.

India is experiencing a significant infrastructure renaissance, driven by increased government investment and development initiatives. There are significant advancements in India's transportation network, including roads, railways, aviation and waterways. These developments aim to enhance connectivity, reduce logistics costs, and position India as a global economic powerhouse.

The government has launched many positive schemes, which will give a boost to the construction sector.

- Jal Jeevan Mission that envisages providing a functional household tap connection to every rural household in the country by FY2024. The outlay for this scheme is ₹3.6 lakh crore between FY2020-24.
- AMRUT 2.0 scheme envisions providing tap water connection to every household and sewerage/septage services in 500 cities at an outlay of ₹2.99 lakh crore.
- Swachh Bharat Mission - Urban 2.0 has an ambitious target of creating garbage free cities by focusing on solid waste management. The scheme has an outlay of ₹1.41 lakh crore.
- Parvatmala Pariyojana or National Ropeway Development Program was launched to improve connectivity for commuters in hilly areas and decongest urban areas. The scheme envisages development of 250+ ropeway projects at an investment of ₹1.25 lakh crore over a period of five years.
- Revamped Distribution Sector Scheme (RDSS) of the government seeks to improve operational efficiencies and financial sustainability of DISCOMs for strengthening of power supply infrastructure. The scheme will be implemented between FY2022-26 with an outlay of ₹3.03 lakh crore.

## OPPORTUNITIES AND THREATS

The infrastructure sector is a key driver of the Indian economy. The sector is responsible for propelling India's overall development and enjoys focus of the government for initiating policies that would ensure time-bound creation of world-class infrastructure.

The government is expected to invest heavily in infrastructure sector, mainly in highways, renewable energy and urban transportation. Further, recent decision and push of government for 'Atmanirbhar Bharat' and push for only local tenders up to specific size of contract and local purchases is expected to have a positive impact for the Company. Government aims to strengthen infrastructure with its focus on four priorities of: PM Gati Shakti Inclusive Development



Productivity Enhancement & Investment, Sunrise opportunities, Energy Transition, and Climate Action.

Your Company is conscious of the importance laid by the government to the sector and sees the following as an opportunity:

Projects	Name of New projects	Other Works
Roads	Bharat Mala, Pradhan Mantri Gram Sadak Yojna	Four-laning of national highways; upgradation of state highways into national highways
Urban infra	Schemes such as Swachh Bharat, Smart City, green transportation	Mass rapid transit, water supply and sanitation projects, modernization and upgradation of railway stations under Amrit Bharat Station Scheme
Irrigation and river linking	River interlinking, canal/irrigation for cultivation	Government's aggressive river linking targets

Management of your Company has put effort to make a firm presence in a few states of India. Further, your management also keeps exploring profitable growth opportunity in neighbouring countries and also takes up suitable joint venture partners or engages in subcontracting work. Looking at the size, suitability and effective execution, your Company has concentrated in the high growth areas of operation, yet developing new territories.

Your Company has maintained its focus on three business segments, i.e. infrastructure, water management and buildings and at the same time retaining its focus and being a frontrunner in the field of irrigation and water supply, civil construction works, national highways, rural roads and other infrastructure works.

The major threat the infrastructure industry is facing is the impact of global economic conditions. Further, your Company is increasingly moving towards larger projects which has stringent pre-qualification requirements and as such faces intense competition. Your Company has undertaken international projects and is exploring further international opportunities, which has strict timelines and lower margins. Also, the entry of foreign construction companies into the Indian market have reduced margins. All these are likely to lead to significant challenges to our historical growth rates and acceptable profit and margins.

## SEGMENT WISE / PRODUCT WISE PERFORMANCE

Your Company is engaged in infrastructure development. The company has internally identified and created the following three segments:

- Buildings
- Water Management
- Infrastructure

These segments are very totally different and are not identifiable segments for reporting. Revenue contribution during the financial year 2022-23 of each of the business segment is given below:

Business segments	Revenue in ₹ cr	Percentage of revenue
Buildings	59.61	5.93%
Water Management	764.33	76.03%
Infrastructure	181.30	18.04%

The Company has carefully carved a niche and continues to remain focused on its geographical presence as well as operating verticals/ventures to capitalise on emerging opportunities. Your Company has decided to stay engaged in short-term projects of less than 24 months, with small and medium project size of less than ₹250 crore, which gives it superior profitability.

## ORDER BOOK POSITION

Your Company has robust order book of ₹3,200 crore at end of financial year 2023. It continues its strategy to maintain optimum margin and enhanced profitability and at present, its complete order book is from government agencies. The order book size in the financial year 2022-23 is as below:

Business segment	Amount (in ₹ cr)	Percentage order book	Embedded EBITDA margin
Buildings	234	7.31	10-12%
Water Management	1,406	44.34	15-18%
Infrastructure	1,560	48.75	12-14%

Following were the major work order inflows in 2022-23:

Name of Work	Amount (₹ cr)	Segment	State
Repair and construction works of old buildings for reopening of Old District Jail in Bareilly, Uttar Pradesh, on EPC basis	148	Building	Uttar Pradesh
Major upgradation of Lucknow Railway Station of Northern and North Eastern Railways on EPC basis	399	Infrastructure	Uttar Pradesh
Construction/re-modelling of primary, secondary drains, culverts/bridges and all other allied works of SWD spread out at various locations in Jayanagar in Koramangala	22.06	Infrastructure	Karnataka
Construction of Integrated Storm Water Drain Works in M1&M2 components in Kovalam Basin in expanded areas in Greater Chennai Corporation Package	70.50	Infrastructure	Tamil Nadu
Widening the East Coast Road (ECR) to six-lane from km 15/700 - 22/300 at Neelangarai, Injambakkam and Sholinganallur villages	104.79	Infrastructure	Tamil Nadu
Implementation of Ground Water Based Mini Piped Water Supply Schemes for 295 villages	104.54	Water	West Bengal
Jal Jeevan Mission – CWSS to 2 Municipalities, 5 Town Panchayats and 2,306 rural habitations in 11 Panchayat Unions	491.33	Water	Tamil Nadu

## FINANCIAL PERFORMANCE/ OPERATIONAL PERFORMANCE

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India and Ind AS. The management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in true and fair manner, the form and substance of transactions and reasonably present the state of affairs on the Balance Sheet and Profit of the Company for the year ended on the date.

### Standalone Performance:

Your Company has posted total revenue of Rs. 1,005.25 crore in 2022-23 as compared to Rs. 779.82 crore in 2021-22. Total cost increased to Rs. 988.62 crore in 2022-23, vs. Rs. 779.82 crore in 2021-22.

EBITDA for 2022-23 increased to Rs. 61.20 crore, as compared to Rs. 36.14 crore in 2021-22. Profit after tax for 2022-23 increased to Rs. 25.99 crores, vs. Rs. 8.36 crore in 2021-22. The Company achieved operational efficiency and earned higher profit during the period.

### Consolidated Performance:

During the year in report, none of the subsidiary was material subsidiary. Operation in all subsidiaries is nominal and mostly comprised of minimal expenses. A new subsidiary has been incorporated during the financial year and details for same has been appropriately provided.

Total consolidated revenue stood at Rs. 1,040.33 crore in 2022-23, vs. Rs. 801.68 crore in 2021-22. Total consolidated expenses increased to Rs. 1,024 crore in 2022-23, against Rs. 804.78 crore in 2021-22. Profit after tax stood at Rs 28.96 crore, against Rs. 5.36 crore in 2021-22. Company achieved operation efficiency and earned higher profit during the financial year 2022-23.

## BUSINESS OUTLOOK

Looking ahead, India's infrastructure industry offers enormous growth potential. As India seeks to become a USD 25-30 trillion economy by 2047, an extra USD 18-20 trillion in infrastructure investment would be required over the next 25 years.

Currently, the government and the public sector finance the majority of infrastructure, but due to limited financial flexibility, there is a need to stimulate private participation to bridge the infrastructure investment gap. It is critical to create an enabling landscape for the private sector through suitable regulatory frameworks and finance sector reforms.

The PPP model, as well as financial tools such as Viability Gap Funding (VGF) and Special Purpose Vehicles (SPVs), as well as the creation of Infrastructure Investment Trusts (InvITs), provide options for private sector engagement. The National Monetization Pipeline (NMP),

which seeks to monetize under-utilised brownfield infrastructure investments will increase private sector participation even further.

Furthermore, there has been a shift in recent years towards sustainable investment that incorporate environmental, social, and governance (ESG) factors. Corporations, investors and financial institutions are becoming more concerned about long-term growth. As a result, it is critical for India's infrastructure development to prioritise sustainable, equitable and green growth.

Looking ahead, RPP is well-positioned to capitalise on the infrastructure pipeline, especially with the government's focus on infrastructure, expecting continued momentum in contracts translating into healthy order inflows and revenue. The company expects a robust order inflow during FY2024.

## RISKS AND CONCERNS

Risk management is an integral part of the business process. The risk management process provides for review of risk assessment and mitigation procedure and enables timely report to the management and supports review of identified risks at periodic intervals to assess the progress of control measures. The Audit Committee of the Board reviews the risk management efforts periodically.

The company follows the below mentioned risk management framework:

- **Risk identification**  
This function involves pre-emptive strategies to identify potential risks and evolve a framework for mitigation
- **Risk assessment and analysis**  
Risk assessment is the objective evaluation of the quantitative and qualitative value of risk related to the uncertainties of a specific situation
- **Risk governance**  
This requires the organization to ascertain action plans to address identified issues and forestall potential damage
- **Comprehensive risk reporting**  
Record the causes and mitigation measures for future reference

The reporting systems ensure precise monitoring for quick decision making and smooth running of the operations. Prompt attention is drawn to any risk related function which is then closely monitored to enable appropriate decision making to avoid problems/ regain stability within the shortest possible time.

## INTERNAL CONTROLS AND THEIR ADEQUACY

Your Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable regulations. It has documented procedures covering all financial, operating and management functions. These controls have been designed to provide a reasonable assurance with regard to





maintaining proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with best practices in these areas as well. The systems are periodically reviewed for identification of control deficiencies and formulation of time bound action plans to improve efficiency at all the levels.

Company conducts internal audit through a firm of independent firm of qualified chartered accountant who are given access to all records and information. The Audit committee of the Board reviews internal control systems and their adequacy, significant risk areas, observations made by the internal auditors on control mechanism and the operations of the company, recommendations made for corrective action and the internal audit reports. The committee reviews with the statutory auditors and the management, key issues, significant processes and accounting policies. The company continues its efforts in strengthening internal controls to enable better management and controls over all processes.

Your Company have a proper Whistle Blower Policy and proper vigil mechanism for Directors and Employees. The policy enables director and employees to report their genuine concerns, generally impacting / affecting business of our Company, including but not limited to improper or unethical behavior / misconduct / actual or suspected frauds / violation of code of conduct. The policy provides adequate safeguard against victimization to make easy for employee/ director to report any issue.

## **HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS**

Our capacity to retain and attract key employees with suitable skills, talent and experience will be critical to our continuing success. We recognise the challenges in attracting and retaining desirable personnel in the industry. All our human resources policies and practices are in line with the overall organisational plan.

Currently, our company employs 1,112 people at various levels. We have a well-crafted HR policy in place, as well as a working environment that encourages innovation, cost savings, and project

completion on time, as well as initiatives aimed at emerging as a merit-driven organisation with adherence to diversity and inclusion. The HR division has emphasised on many elements, such as staff training, welfare and safety in order to strengthen our human resources.

## **DETAILS OF SIGNIFICANT CHANGES**

- (i) Debtors' Turnover: 5.34
- (ii) Interest Coverage Ratio: 3.90
- (iii) Current Ratio: 1.64
- (iv) Debt Equity Ratio: 0.23
- (v) Net Profit Margin (%): 0.03

## **CHANGE IN RETURN ON NET WORTH**

The Company achieved a 7.59% return on net worth during 2022-23, as compared to 2.63% during the previous financial year.

## **DISCLOSURE OF ACCOUNTING TREATMENT**

The Company has followed generally accepted accounting standards in preparation of its financial statements, as applicable to it.

### **Forward-looking statements**

The report may contain forward-looking statements, like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. Any statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, market position, expenditures, and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to these statements and also not liable to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. Further, the economic data has been taken from various source and hence the correctness is based on publication made about the same and company assumes no responsibility towards the correctness of same.

## ANNEXURE – 9

## Report on Corporate Governance

### 1. Company's philosophy on code of Governance

The Company's philosophy on code of governance is to ensure that its obligations are discharged in a fair and transparent manner in order to protect the interests of its stakeholders. The Company maintains the best practices towards preserving the environment and adherence to the highest safety standards across all operations. The Company aims at achieving transparency, accountability and equity in all facets of its operations and in all interactions with stakeholders, including shareholders, employees, government, lenders and other constituents, while fulfilling the role of a responsible corporate representative committed to good corporate practices. The Company is committed to achieve good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at true Corporate Governance.

The Company believes that all its operations and actions must result in enhancement of the overall shareholder value in terms of maximizing shareholder's benefits, over a sustained period of time.

### 2. Board of Directors Composition of the Board

Companies' policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the balance and independence of the Board and to separate the Board functions of governance and management. The total strength of the Board during the financial year 2022-23 comprised of six directors,

consisting of two executive promoter directors, one non-executive director and three independent directors.

Independent directors are non-executive directors as defined under Section 149 Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The independent directors have included their names in the data bank of independent directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

As per the requirement of Regulation 17(1) of SEBI (LODR) Regulation, 2015, the company has an optimum combination of executive and non-executive directors with one woman director and two-third of the total number of directors being non-executive. Further, the Chairman being the promoter executive director, more than half of the board comprises of independent directors. The composition of the Board was proper and in compliance of Regulation 17 of SEBI (LODR) Regulations, 2015 throughout the financial year.

The following is the present composition of our Board and their number of Directorships in other companies:

Name of the Director	Category	Date of appointment	Inter-se relationship	Share holding*	Directorship in other public companies**	Number of committee positions in other public companies ***	
						Chairman	Member
Mr. P Arulsundaram	PD/ED	04.05.1995	Mrs. A Nithya's Husband	1,16,29,509 Equity Shares &	-	-	-
Mrs. A Nithya	PD/ED	19.02.1999	Mr. P Arulsundaram's wife	76,99,837 Equity Shares &	-	-	-
Mr. P Muralidasan	NED	01.04.2008	-	0	-	-	-
Mr. K Rangasamy	ID	14.11.2016	-	0	-	-	-
Mr. P R Sundararajan	ID	14.11.2016	-	0	-	-	-
Mr. R. Kalaimony	ID	14.11.2019	-	0	-	-	-

PD- Promoter Director; ED- Executive Director; NED-Non-Executive Director; ID- Independent Director

\*\* The directorship does not include directorship in Private Limited, Private Limited which are subsidiary of Public Limited, Section 8 Companies and Companies incorporated outside India.

\*\*\*Membership/Chairmanship of only Audit Committee/Stakeholders' Relationship Committee has been considered.



As required by SEBI (LODR) Regulation, 2015, none of the Directors on the Board are members of more than ten Board-level committees and Chairman of more than five such Committees, across all such companies in which he/she is a Director.

### Directors Profile

**Mr. P Arulsundaram**, Chairman and Managing Director, aged 57 years, holds a Bachelor of Engineering Degree in Civil Engineering from Sri Vinayaka Mission Research Foundation, Deemed University, Salem and a Diploma in Civil Engineering from Kongu Engineering College, Erode, Tamil Nadu. He has over 36 years of experience in civil works in the fields of transportation / power / commercial buildings and irrigation projects. He has been responsible for strategic direction and development of our Company and is in overall control of our operations. His experience and his intimate understanding of the businesses verticals of our operations have played a central role in the rapid growth of our Company.

**Mrs. A Nithya**, Whole-Time Director and Chief Financial Officer, aged 49 years, holds a Master's degree in Business Administration from Anna University, Chennai. She is responsible for the finance, accounting and treasury functions of the Company.

**Mr. P Muralidasan**, Non-Executive Director, aged 58 years, holds a bachelor's degree in Civil Engineering from Bangalore University. He has over 33 years of experience in the construction industry.

**Mr. K. Rangasamy**, Independent Director, aged 69 years, holds a Master's degree in Agricultural Science from Tamil Nadu Agricultural University, Tamil Nadu. He is a qualified member of Indian Institute of Bankers. He has over 38 years of experience in banking sector.

**Mr. P. R. Sundararajan**, Independent Director, aged 64 years, holds a Bachelor of Engineering (Hons) in Civil Engineering from University of Madras, Chennai and a Masters degree in Structural Engineering from Government College of Technology, Coimbatore. He has over 38 years of experience in engineering industry.

**Mr. R. Kalaimony**, Independent Director, aged 58 years, holds a Bachelor's degree in B.E (Civil) Engineer from College of Engineering, Anna University at 1985 and Masters Degree in Environmental Engineering from College of Engineering in the year 1994. He has more than 20 years associated with Tamil Nadu Electricity Board, now named as TANGEDCO under various cadres in execution of many Hydro Project schemes and contract management of those Hydro project schemes.

### Attendance of Directors at Board Meetings and at Annual General Meeting (AGM)

Following are the attendance of directors in the Board Meetings and at previous AGM:

Name of the Director	No. of Board Meetings held	Board Meetings Attended	Attendance at Previous AGM
Mr. P. Arulsundaram	6	6	Yes
Mrs. A. Nithya	6	6	Yes
Mr. P. Muralidasan	6	6	Yes
Mr. K. Rangasamy	6	6	Yes
Mr. P. R. Sundararajan	6	6	Yes
Mr. R. Kalaimony	6	3	Yes

### Board Meetings held during the year

The Board of Directors met Six times during the year under review on 30<sup>st</sup> May 2022, 12<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 06<sup>th</sup> January 2023, 11<sup>th</sup> February 2023, and 30 March, 2023. The interval between two meetings was within the maximum period mentioned under section 173 of the Companies Act, 2013 and the SEBI LODR Regulation, 2015.

### Committee of Directors

The Board has following committees during the financial year 2022-23:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility (CSR) Committee
- Legal and Finance Committee

- Allotment Committee
- Rights Issue Committee

### 3. Audit Committee

#### Composition, Meetings and Attendance

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 and Part C of Schedule V of SEBI (LODR) Regulation, 2015. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, taxation, economics, risk and international finance. Mr. K. Rangasamy, Independent Director, is the Chairman of the Audit Committee. The other members of the Audit Committee include Mr. P Muralidasan and Mr. P R Sundararajan. The constitution of the Audit Committee has not changed during the year. There were no incidences where Board has not accepted the recommendation of the Audit Committee during the year.

The Audit Committee met Four (4) times during the financial year 30<sup>st</sup> May 2022, 12<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, and 11<sup>th</sup> February 2023.

The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P. R. Sundararajan	Independent / Chairman	2	2
Mr. P. Muralidasan	Non-Executive/ Member	2	2
Mr. K. Rangasamy	Independent / Member	2	2

### Terms of reference

The terms of reference has been set for the Audit Committee by Board in compliance to the Section 177 of Companies Act, 2013 and Regulation 18(3) & Part C of Schedule II SEBI (LODR) Regulation 2015. The following are, inter alia, the main terms of reference provided by the Board of Directors to the Audit Committee:

1. Regular review of accounts, accounting policies and disclosures.
2. Review the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
3. Review any qualifications in the draft audit report.
4. Establish and review the scope of the independent audit including the observations of the auditors and review of the quarterly, half-yearly and annual financial statements before submission to the Board.
5. Upon completion of the audit, attend discussions with the independent auditors to ascertain any area of concern.
6. Establish the scope and frequency of the internal audit, review the findings of the internal auditors and ensure the adequacy of internal control systems.
7. Examine reasons for substantial defaults in payment to depositors, debenture holders, shareholders and creditors.
8. Examine matters relating to the Director's Responsibility Statement for compliance with Accounting Standards and accounting policies.
9. Oversee compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
10. Examine any related party transactions, i.e. transactions of the Company that are of a material nature with promoters or management, their subsidiaries, relatives, etc., that may have potential conflict with the interests of the Company.

11. Appointment and remuneration of statutory and internal auditors.
12. Risk assessment and minimization procedures.
13. Management discussion and analysis of financial condition and results of operations
14. Statement of significant related party transactions (as defined by the audit committee), submitted by management.
15. Management letters / letters of internal control weaknesses issued by the statutory auditors.
16. Internal audit reports relating to internal control weaknesses.
17. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
18. Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

## 4. Nomination and Remuneration Committee

### Composition, Meetings and Attendance

The Nomination and Remuneration Committee comprises of Three Directors, Mr. P R Sundararajan, Independent Director, Mr. K Rangasamy, Independent Director and Mr. P Muralidasan, Non-Executive Director. Mr. P R Sundararajan, Independent Director is the Chairman of the Committee. The constitution of the committee has not changed during the year.

The composition of Nomination and Remuneration Committee is in compliance to the provisions of Section 178 of the Companies Act, 2013, and Regulation 19(1) of the SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee met one (Two) time during the year on 12<sup>st</sup> August 2022 and 30 March, 2023

The composition of the Nomination and Remuneration Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P. R. Sundararajan	Independent / Chairman	2	2
Mr. P. Muralidasan	Non-Executive/ Member	2	2
Mr. K. Rangasamy	Independent / Member	2	2



## Terms of reference

The terms of reference has been set for the Nomination and Remuneration Committee by Board in compliance to the Section 178 of Companies Act, 2013 and Regulation 19(4) & Part D of Schedule II of SEBI (LODR) Regulation 2015. The terms of reference of are Regulation 19(4). The terms of reference of the Nomination and Remuneration Committee as set by the Board of Directors inter alia includes following:

1. To determine the remuneration payable to the Directors.
2. To recommend to the Board appointment/re-appointment and removal and evaluation of Independent Directors and the Board.
3. To review the Nomination and Remuneration policy.
4. Establish and administer employee compensation and benefit plans.
5. Such other matters as may be required from time to time under any statutory, contractual or other regulatory requirement.

## Nomination and Remuneration Policy

The Board of Directors has formulated Nomination and Remuneration Policy as follows:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
6. To devise a policy on Board diversity.
7. To develop a succession plan for the Board and to regularly review the plan.
8. To determine the remuneration, review performance and decide on fixed and variable pay of Executive Directors.

## Mechanism for Evaluation of Board and Performance evaluation criteria for independent directors

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

### (A) Criteria for evaluation of Board of Directors:

1. Attendance & active participation in Board, Committee & General Meetings.
2. Adequate preparation for all such meetings.
3. Constructive contribution to formulation of strategy & translation into plans, policies and annual goals.
4. Achievement of sales, productivity & financial goals.
5. Active involvement in quality systems & improvement activities for future growth.
6. Updating knowledge in area of expertise, overall business & industry environment.
7. Open communication with Board members and down the line.
8. Awards & recognitions received by Company.
9. Conduct in ethical manner consistent with the applicable laws.
10. Brand building through contribution to and discharge of social responsibilities.

### (B) Criteria for evaluation of the Independent Directors:

- i. Qualifications & skills to understand corporate culture, business & its complexities
- ii. Adequate preparation for Board, Committee and General Meetings and updating knowledge in area of expertise.
- iii. Attendance and active participation in above meetings.
- iv. Objective & constructive participation in informed and balanced decision making.
- v. No abuse of position detrimental to Company's/ shareholder's interest and/or personal advantage, direct or indirect.
- vi. Ability to monitor management performance and integrity of financial controls & systems.
- vii. Active and timely execution of any tasks assigned by the Board.
- viii. Communication in open and fair manner.
- ix. Credibility, directions and guidance on key issues in the best interest of Company.
- x. Ethical conduct consistent with applicable laws, rules and regulations.

## 5. Remuneration to Directors

The details of remuneration paid/payable, sitting fees and commission paid to each of the directors during the year ended 31<sup>st</sup> March 2023 are given below:

Name of the Director	Remuneration	Sitting Fees	Commission	No. of Shares held
Mr. P Arulsundaram (Chairman and Managing Director)	48	-	-	1,16,29,509 Equity Shares &
Ms. A Nithya (Whole Time Director and CFO)	21	-	-	76,99,837 Equity Shares &
Mr. P Muralidasan (Non- Executive Director)	-	10	-	-
Mr. K Rangasamy (Independent Director)	-	10	-	-
Mr. P R Sundararajan (Independent Director)	-	10	-	-
Mr. R. Kalaimony (Independent Director)	-	5	-	-

There are no material pecuniary relationship between the Company and non-executive directors, other than payment of sitting fee.

The employment of the Chairman & Managing Director and Whole Time Director and Chief Financial Officer is contractual. The employment is for a period of three years, i.e., till 31<sup>st</sup> March 2023. The contract is terminable by either party after giving prior notice. No severance fee as such has been agreed.

The Company pays remuneration to its Chairman & Managing Director and Whole Time Director and Chief Financial Officer by way of salary and benefits as approved by the shareholders on 30<sup>th</sup> September 2022 at 25<sup>th</sup> Annual General Meeting of the Company. The Company does not have stock option plans for any of its Directors. The Company has paid a salary of ₹ 7 Lakhs per month to Chairman & Managing Director and ₹ 3 Lakhs per month to the Whole Time Director and CFO and applicable and approved perquisite/ benefits.

Chairman and Managing Director and Executive Director are entitled for the following benefits apart from salary:

- i. Reimbursement of all medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad for self and family including hospitalization.
- ii. Education of children covering tuition fees and other expenses on higher educations.
- iii. Leave travel concession/allowance: Foreign trip once a year with family or / and inland trip for self and family twice in a year.
- iv. Club fees subject to a maximum of two clubs.
- v. Personal accident insurance premium.
- vi. Use of Company maintained cars with drivers for business and personal use.

Board is proposing the re-appointment of Chairman & Managing Director and Whole Time Director and Chief Financial Officer at forthcoming Annual General Meeting and will seek approval of members.

## 6. Stakeholders' Relationship Committee: Composition, Meetings and Attendance

Stakeholders' Relationship Committee comprises of three Directors. Mr. P Muralidasan, Non-Executive Director, Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P R Sundararajan, Independent Director. Mr. P Muralidasan, Non-Executive Director is the Chairman of the Committee. The constitution of the Committee has not changed during the year.

The Composition of Stakeholders' Relationship Committee is in compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015

The status of shareholder correspondences, queries, grievances etc. are endeavoured to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders Relationship/ Grievance Redressal Committee.

The Stakeholders' Relationship Committee met Two (2) times during the financial year on 30<sup>st</sup> May, 2022 and 15<sup>th</sup> March 2023.

The composition of the Stakeholders' Relationship Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P. Muralidasan	Non-Executive/ Chairman	2	2
Mrs. A. Nithya	Promoter/ Executive/ Member	2	2
Mr. P. R. Sundararajan	Independent/ Member	2	2



## Terms of Reference

The terms of reference has been set for the Stakeholders' Relationship Committee by the Board in compliance to the Section 178 of Companies Act, 2013 and Regulation 20(4) & Part D of Schedule II of SEBI (LODR) Regulation 2015.

The term of reference to the committee includes overseeing and review of all matters connected with transfer of securities, non-receipt of annual report, notices, dividend and various grievances of the shareholders. The Committee oversees performance of Registrars and Share Transfer Agents of the Company and recommends remedial measures to improve quality of investors' services. The Committee has delegated the authority for share transfers to the Managing Director.

### Compliance Officer:

The Chief Financial Officer /Whole Time Director of the Company acts as compliance officer from 29<sup>th</sup> March 2022 to 28<sup>th</sup> August, 2022. Thereafter Mr A Karthiswaran was appointed as a company secretary who acted as compliance officer of the company from 28<sup>th</sup> August 2022 to 30<sup>th</sup> March, 2023. Mr. Shammii Prakash was appointed as Company Secretary and Compliance officer as on 30<sup>th</sup> March, 2023.

## Stakeholder's Grievance Redressal

During the year ended 31<sup>st</sup> March 2023, the company had received four complaints and has redressed the same. No investor complaints/ grievances are pending for redressal at the end of the financial year.

## 7. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee comprises of three Directors, Mr. P R Sundararajan, Independent Director, Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P Muralidasan, Non-Executive Director. Mr. P R Sundararajan is the Chairman of the Committee. The constitution of the Committee has not changed during the year.

The Composition of CSR Committee is in compliance to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has formulated CSR Policy, which is uploaded on the website of the Company. A report on CSR is provided forming part of the Board Report elsewhere.

The Committee had met once (1) during the period on 30<sup>st</sup> May 2022. The composition of the Corporate Social Responsibility Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P. R. Sundararajan	Independent/ Chairman	1	1
Mrs. A. Nithya	Promoter/ Executive/Member	1	1
Mr. P. Muralidasan	Non Executive/ Member	1	1

## 8. Risk Management Committee

The Audit Committee has also been granted the additional responsibility to foresee and implement the risk management. The terms of reference includes framing, implementation and monitoring of the risk management plans of the Company. The Committee has constituted Risk Management Team for day to day working.

## 9. Legal and Finance Committee

The Board has constituted this Committee to authorize grant of power of attorney to executives, to approve various facilities as and when granted by the Banks and execution of documents for these facilities within the limit set out with a view to facilitate and expedite the required work. The Committee has also been authorized to quote for tenders, enter into agreement/ joint venture, providing of the investment, loans, etc.

The Committee comprises of three Directors and Mr. PR Sundararajan, Independent Director is the Chairman of the Committee and Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P Muralidasan, Non-Executive Director are members. The constitution of the Committee has not changed during the year.

The Committee met Nineteen (22) times during the year on 05<sup>th</sup> April 2022, 13<sup>th</sup> May 2022, 18<sup>th</sup> June 2022, 20<sup>th</sup> June 2022, 04<sup>th</sup> July 2022, 05<sup>th</sup> July 2022, 15<sup>th</sup> July 2022, 30<sup>th</sup> July, 2022 06<sup>th</sup> August 2022, 16<sup>th</sup> August, 2022, 13<sup>th</sup> September 2022, 17<sup>th</sup> September 2022, 04<sup>th</sup> October 2022, 17<sup>th</sup> October 2022, 21<sup>st</sup> October 2022, 10<sup>th</sup> November 2022, 21<sup>st</sup> November 2022, 20<sup>th</sup> December 2022, 24<sup>th</sup> December 2022, 03<sup>rd</sup> January 2023, 21<sup>st</sup> February 2023 and 22<sup>nd</sup> March 2023.

The composition of the Legal and Finance Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P. R. Sundararajan	Independent/ Chairman	22	22
Mrs. A. Nithya	Promoter/ Executive/Member	22	22
Mr. P. Muralidasan	Non Executive/ Member	22	22

## 10. Allotment Committee

The Committee comprises of three Directors namely Mr. KRangasamy, Independent Director, Mrs. A Nithya, Whole-Time Director and Chief Financial Officer and Mr. P Muralidasan. Committee chooses chairman for each of its meeting. The Committee was constituted to make preferential allotment.

The Committee met one time during the year on 6<sup>th</sup> March, 2023.

The composition of the Allotment Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. K. Rangasamy	Independent Director/ Member	1	1
Mrs. A. Nithya	Promoter/ Executive/Member	1	1
Mr. P. Muralidasan	Non Executive/ Member	1	1

The Allotment Committee (AC) has constituted as on 11<sup>th</sup> February 2023.

### Right Issue Committee

The Committee comprises of three Directors namely Mr. K. Rangasamy, Independent Director, Mrs. A. Nithya, Whole-Time Director and Chief Financial Officer and Mr. P. Muralidasan, Non-Executive Director are members. Committee chooses chairman at its meeting.

The Committee met five times during the year on 09<sup>th</sup> May, 2022, 27<sup>th</sup> June 2022, 16<sup>th</sup> August 2022, 05<sup>th</sup> November 2022, and 10<sup>th</sup> February 2023.

The composition of the Rights Issue Committee and particulars of meetings attended by the members are given below:

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. K. Rangasamy	Independent Director/ Member	5	5
Mrs. A. Nithya	Promoter/ Executive/ Member	5	5
Mr. P. Muralidasan	Non- Executive/ Member	5	5

## 11. Independent Directors

Independent Directors meet out the criteria of independence as provided under Companies Act, 2013 and SEBI LODR Regulation, 2015. Independent directors have also provided declaration to the Board of their independence from management. In opinion of the Board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

Following table contains the core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

Name of the Director	Designation	Skill/ Expertise/ Competency
Mr. P. Arulsundaram	Chairman and Managing Director	Civil Engineer, 36 years' experience in Civil Engineering filed, comprised of transportation / power / commercial buildings and irrigation projects. Suited to lead the company business.
Mrs. A. Nithya	Whole Time Director and Chief Financial Officer	Chief Financial Officer, holds a Masters degree in Business Administration from Anna University, Chennai. She is having experience in finance, accounting and treasury functions.
Mr. P. Muralidasan	Non-Executive Director	Civil Engineer, 33 years' experience in Civil Engineering filed.
Mr. K. Rangasamy	Independent Director	Master's degree in Agricultural Science from Tamil Nadu Agricultural University, Tamil Nadu. He is having over 38 years of experience in banking sector.

## 12. Separate meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI LODR Regulation, 2015, a separate meeting of the independent directors of the Company was held on 11<sup>th</sup> February 2023 to review the performance of non-independent directors (including the chairman) and the Board as whole. The independent directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees, which is necessary to effectively and reasonably perform and discharge their duties.

## 13. Familiarisation Programme for Directors

At the time of appointing a Director, a letter of appointment is issued incorporating the role, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliance required from him under the Companies Act, 2013, SEBI (LODR) Regulation, 2015 and other relevant regulations and affirmation taken with respect to the same. A meeting is arranged with the Chairman and Managing Director, Chief Financial Officer to discuss with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the independent directors about the company, its business and the on-going events relating to the Company. Company also organizes site visit for the directors at the time of Board Meeting to make them aware about the process and challenges. The details of the familiarization programmes imparted to independent directors is available at the website of Company at [weblinkhttp://www.rppi.com/pdf/policy/Familiarisation-Programme-for-Independent-Directors\\_1.pdf](http://www.rppi.com/pdf/policy/Familiarisation-Programme-for-Independent-Directors_1.pdf)

## 14. Skills/ expertise/ competence of Directors

Nomination and Remuneration Committee and Board has noted the skill and expertise required for the directors. They have noted that Company being in business of infrastructure development, for planning and execution and understanding, people with the engineering background would suit the most. Further, for the Audit and Financial, the directors with the MBA and financial experience will suit the most. Nomination and Remuneration Committee and Board has properly considered the same and feels that Company has proper mix for Board and Committee.





Name of the Director	Designation	Skill/ Expertise/ Competency
Mr. P. R. Sundararajan	Independent Director	Civil Engineer, 38 years' experience in Civil Engineering filed.
Mr. R. Kalaimony	Independent Director	He has more than 20 years associated with Tamil Nadu Electricity Board, now named as TANGEDCO under various cadres in execution of many Hydro Project schemes and contract management of those Hydro project schemes.

## 15. Subsidiary Companies

The details relating to subsidiaries as on 31<sup>st</sup> March 2023 along with brief profiles of the and other details are provided in Directors Report and its annexure. None of these subsidiaries were material subsidiary during the last financial year.

## 16. General Body Meeting

The details of the Annual/ Extra-Ordinary General Meetings held during the preceding three years and the Special Resolutions passed there at as under:

AGM	Financial Year	Date & Time	Venue	Details of Special Resolutions passed
25 <sup>th</sup>	2019-20	Thursday 29.10.2020 2.00 P.M	Through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility	<ol style="list-style-type: none"> <li>To re-appoint Mr. P Arulsundaram as Chairman and Managing Director.</li> <li>To re-appoint Mrs. A. Nithya as Whole Time Director and Chief Financial Officer</li> </ol>
18 <sup>th</sup> Extra-Ordinary General Meeting (EGM)	2020-21	Monday 13.09.2021 2.00 P.M	Through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility	No Special Resolution
26 <sup>th</sup>	2020-21	Thursday 30.09.2021 2.00 P.M	Through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility	<ol style="list-style-type: none"> <li>Re-appointment of Mr. Rangasamy Kulanthasamy (DIN: 07103549) as an Independent Director</li> <li>Re-appointment of Mr. Sundararajan (DIN: 07647740) as an Independent Director</li> </ol>
27 <sup>th</sup>	2021-22	Friday, 30.09.2022 At 2:00 PM	Through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility	<p>To appoint a Director in the place of Mrs. A Nithya (DIN 00125357), who retires by rotation and being eligible, seeks re-appointment.</p> <p>Special Business</p> <p>To re-appointment Mr. P Arulsundaram as Chairman and Managing Director:-</p> <p>Re-appointment of Mrs. A. Nithya as Whole Time Director and Chief Financial Officer:-</p> <p>Approval of the Borrowing Limit of the Company</p> <p>Approve for Granting Loan, Providing Security or Guarantee</p> <p>Approval on Omnibus Basis Material Related Party Transaction</p> <p>Ratification of Remuneration to Cost Auditor</p>
19 Extra-Ordinary General Meeting (EGM)	2021-22	01.02.2022	Through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility	Issuance Of Equity Shares And Warrants Convertible Into Equity Shares on Preferential Basis

- No Court Convened Meeting of Members was held during the year 2022-23.
- No Special Resolution was passed during last year through Postal Ballot.

Resolution, if any, to be passed through Postal Ballot will be taken up, as and when necessary. As of now, Board has not decided to take any resolution by way of postal ballot.

## Procedure for conducting voting through postal ballot

Voting through postal ballot is conducted in compliance to the Section 110 of Companies Act, 2013, read along with Rule 22 of Companies (Management and Administration) Rules, 2014 or as per applicable rules at relevant time. The following is the illustrative steps to conduct the voting through postal ballot:

- Company proceeds to prepare draft of Board resolution, postal ballot notice along with explanatory statement and postal ballot form.
- Obtain consent of the Scrutinizer before the Board Meeting.
- Convene Board meeting to approve the draft documents, appoint Scrutinizer, authorize officer to oversee the entire postal ballot “Calendar of events” process.
- Arrange for printing of address slips, notice, postal ballot forms and self-addressed postage pre-paid envelope (with Scrutinizer’s name and address).
- Dispatch of notices to shareholders whose names appear in the Register of members as on particular date as decided by the Board.
- Place postal ballot notice on the Company’s website.
- File copies of postal ballot notice with stock exchange where the Company has listed its securities.
- Put an advertisement in newspapers showing the date of dispatch of postal ballot forms and last date for receipt of the filled-in forms.
- Number of forms received at the registered office of the Company are ascertained by scrutinizer. The company ensure that receipt stamp is put on the envelope and the same is kept under safe custody. The filled-in forms received after expiry of thirty days from the date of dispatch of notice shall be treated as if reply from the member has not been received.
- The scrutinizer will submit the report on the outcome of the postal ballot procedure to the Chairman.
- Chairman shall declare the result and publish the same in newspapers. Company shall make arrangements to convey the results to the Shareholders and the Stock Exchanges.
- If the resolution is assented to by requisite majority of the shareholders, then it shall have the same effect of a resolution passed in the General Meeting.
- Company shall file the resolution with the ROC within 30 days of passing.

## 17. Means of Communication

In terms of Regulation 46 of SEBI (LODR) Regulation, 2015, the Company has been maintaining a functional website, containing basic information about the Company including details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. All the presentation made has been submitted to stock exchanges as well as displayed on the website of the Company. Even transcript of all the calls with the investors are submitted to stock exchanges. The contents of the said website are updated from time to time. There were no specific presentations made to Institutional investors or to analysts during the year.

The quarterly / yearly financial results of the Company are disseminated at once to the stock exchanges after the approval by the Board. These are published in Business Standard (English) and Maalai Malar (Tamil), which are national and local dailies respectively, and also hosted on the website of the Company for the benefit of the stakeholders.

Results and reports of the company are also available in www.nseindia.com and www.bseindia.com. Official news releases are made whenever it is considered necessary and are communicated to stock exchanges. Similarly, presentations made to investors including institutional investors or to analysts are also submitted to stock exchanges and also put on the website of the Company. The Company complies with all norms related to proper disclosure and dissemination of information and will keep adhering to same.

## 18. General Shareholder information:

### a. Information about 28th Annual General Meeting:

**Date & Time:** Saturday, 30<sup>th</sup> September 2023 at 2.00 P.M.

**Venue:** Registered office of the Company  
Through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility

### b. Financial Year

The financial year of the Company commences with 1<sup>st</sup> April every year and ends with 31<sup>st</sup> March in the succeeding year.

Financial Calendar (Tentative)

Results for the quarter ending:

June 30, 2023	–	By Second week of August, 2023
September 30, 2023	–	By second week of November, 2023
December 31, 2023	–	By second week of February, 2023
March 31, 2024	–	By Fourth week of May, 2024

The dates of each of the meeting would be in compliance to SEBI (LODR) Regulations, 2015 including respective Circular.

**c. Date of Book Closure**

The Register of Members and Share Transfer Books shall not be closed for 28<sup>th</sup> Annual General Meeting.

**d. Dividend payment date**

To conserve resources, your Board has not proposed to pay any dividend for the financial year 2022-23.

**e. Listing on Stock Exchanges**

The Equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and the Bombay stock Exchange Limited (BSE).

**h. Market Price Data:**

High/Low (₹) during each month of 2022-23 at BSE and NSE

Month	BSE		NSE	
	High ₹	Low ₹	High ₹	Low ₹
April 2022	52.15	41.65	52.70	41.60
May 2022	45.75	36.50	46.00	35.35
June 2022	38.60	29.60	38.75	29.50
July 2022	36.80	34.25	37.80	34.00
August 2022	46.55	34.40	46.80	34.50
September 2022	47.00	35.25	47.00	35.05
October 2022	37.75	34.50	37.70	34.05
November 2022	40.10	35.00	40.30	34.30
December 2022	45.20	35.65	45.50	35.70
January 2023	52.90	39.95	52.85	40.00
February 2023	46.35	39.10	46.50	38.75
March 2023	45.30	38.38	45.50	38.15

**j. Registrars and Share Transfer Agents**

M/s Cameo Corporate Services Limited,  
"Subramanian Building"  
No. 1, Club House Road,  
Chennai 600 002, Tamil Nadu  
Email: Cameo@cameoindia.com

**k. Share Transfer Process:**

The Company's shares are traded on the stock exchange only in electronic mode. Shares in physical form are processed by the Registrar and transfer agents M/s Cameo Corporate Services Limited only after getting approval from shareholders committee. Out of total capital only 847 shares representing 0.0022 percent are held in physical form. The share transfers are registered and returned within the period of 15 days of receipt if documents are in order. Further, MCA and SEBI has laid down restriction in physical share transfer.

**l. Reconciliation of Share Capital Audit:**

Share Capital Audit to reconcile the admitted capital with National Securities Depository Limited (NSDL) and Central

**f. Stock Exchange Security Code and other related information**

National Stock Exchange of India Limited	RPPINFRA
BSE Limited	533284
Depository ISIN Number	INE324L01013
Corporate Identification Number (CIN)	45201TZ1995PLC006113

**g. Payment of Listing and Depository Fees**

The Company has paid the annual listing fees for the year 2022-23 to NSE and BSE. The Company has also paid custodial fees for the year 2022-23 to National Securities Depository Limited and Central Depository Services (India) Limited.

Depository Services (India) Limited (CDSL) with the total issued and listed capital is done at interval as provided by SEBI. The Share Capital Audit Report confirms that the total issued / paid-up capital is in intact with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. All the shares of the Company is listed and admitted with depository and no difference exists between issued and listed capital.

**m. Shareholding Pattern as on 31.03.2023:**

Category	No. of shares held	Percentage of holding
Promoters	19427583	51.2863
Non- Promoters		
FPI	21902	0.0578
Clearing Members	15131	0.0399
Corporate Bodies	2133941	5.6333
Non-Resident Indians	1127058	2.9752
IEPF	3018	0.0079
Resident	15151951	39.9992
<b>Total</b>	<b>37880584</b>	<b>100.0000</b>

**n. Distribution of Holdings as on 31.03.2023:**

Share holding No of shares	Share holders		Shares	
	Number	% of total	Shares	% of total
01 – 5000	21154	83.0676	27533430	7.2684
5001 – 10000	2107	8.2737	16832090	4.4434
10001 – 20000	1093	4.2919	16750670	4.4219
20001 – 30000	377	1.4804	9609320	2.5367
30001 – 40000	214	0.8403	7578800	2.0007
40001 – 50000	150	0.5890	7063130	1.8645
50001 – 100000	203	0.7971	15074800	3.9795
100001 & Above	168	0.6597	278363600	73.4845
<b>Total</b>	<b>25466</b>	<b>100.0000</b>	<b>37880584</b>	<b>100.0000</b>

**o. Dematerialization of shares and liquidity:**

Dematerialization status of equity shares as on 31<sup>st</sup> March 2023:

Particulars	No. of Shares	% to Share capital
Central Depository Services (India) Limited	29566512	78.0518
National Securities Depository Limited	8313225	21.9458
<b>Total</b>	<b>37879736</b>	

Almost the entire paid-up capital of the Company (99.9976%) is held in dematerialised mode. Further, since the shares of the Company are traded only in dematerialized form and the shares are frequently traded, the shares of the Company are highly liquid.

**p.** There are no commodity price risk or foreign exchange risk and hedging activities associated with the Company.

**q.** Plant Location: The Company carries out works at various sites, where it executes the contract and the fabrication unit for engineering construction is based at the registered office of the Company.

**r.** Website: Company maintains a functional website containing the all the required information as required to be maintained at <http://www.rppi.com/>.

Credit Rating: The Company was in the process of finalisation of credit rating and

**s.** Address for Investor Correspondence:  
R.P.P Infra Projects Limited,  
Secretarial Department,  
Registered Office: SF No. 454, Raghupathynaikenpalayam,  
Railway Colony Post, Poondurai Road  
Erode – 638002  
Tamil Nadu  
Phone: +91 424 2284077  
Fax: +91 424 2282077  
Email: [secretary@rppi.com](mailto:secretary@rppi.com) & [ipo@rppi.com](mailto:ipo@rppi.com)

**19. Disclosures**

**a. Related Party Transactions**

None of the transactions with any of the related parties viz., Promoters, Directors or the Senior Management, their Subsidiaries or relatives were in conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standard (AS 18) relating to “Related Party Transactions” have been made separately in the Annual Report.

All related party transactions are at arm’s length and on ordinary course of business and does not have any potential conflict with the interest of Company and are based on consideration of business necessity.

Details in relation to related party transaction has been provided in the Board Report.

**b. Details of Non Compliances**

During the last three years, no penalties or strictures have been imposed on the company by Stock Exchanges, SEBI or any statutory authority for non-compliance on any matter relating to the capital markets. Further, Company has not received any notice of non-compliances from stock exchange, i.e., BSE or NSE other than whose details have been disclosed elsewhere in the report or in other reports to stock exchanges.

**c. Whistle Blower Policy**

The Company had adopted the Whistle Blower Policy. Employees can report to Management concerned unethical behaviour, act or suspected fraud or violation of the Company’s Code of Conduct policy. No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also hosted on the website of the Company.

**d. Mandatory and Non-Mandatory Compliances**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company continues to follow the principles of good corporate governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company

has complied with all the mandatory requirements laid down by SEBI (LODR) Regulation, 2015. The non-mandatory requirements compliance have been disclosed at the relevant places.

**e. Policy on Material Subsidiaries**

In terms of SEBI (LODR) Regulation, 2015, the Board of Directors have adopted a policy with regard to the determination of material subsidiaries and has also hosted the same on the website of the Company at weblink: <http://www.rppi.com/>

**f. Policy on Related Party Transactions**

In terms of SEBI (LODR) Regulation, 2015, the Board of Directors of the Company have adopted a policy and also hosted the same on the website of the Company at weblink: <http://www.rppi.com/pdf/policy/Policy%20on%20Related%20Party%20Transaction.pdf>

**g. Commodity price risks and commodity hedging activities**

Company has its process to safeguard itself from increase in prices of the essential commodity required by it. However, the Company has no commodity price risks and has not done any commodity hedging activities.

**h. Utilization of funds raised**

The money raised by the company by way of right issue and preferential allotment has been utilized for the purpose they are raised.

**i. Dis-qualification of director**

A certificate from, Partner, M/s Lakshmi Subramanian & Associates, Company Secretaries LLP that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached at end of this report.

**j. Recommendation of Committee**

The Board has accepted recommendations of Committee, wherever required and no specific event has arose during the financial year, where the Board has not accepted the recommendation.

**k. Fee paid to Statutory Auditor**

Company has paid an amount of ₹9,00,000/- as Statutory Audit fee plus applicable tax & re-imbusement and Out-of-Pocket expenses.

**l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has not received any complaints pertaining to sexual harassment during the year and none of the complaint were pending at the beginning of the financial year.

## 20. Secretarial Audit and Annual Secretarial Compliance Report

The Company in compliance to Section 204 of the Companies Act, 2013 has appointed M/s Lakshmi Subramanian & Associates as Secretarial Auditor who has conducted Secretarial Audit for the financial year ended on 31<sup>st</sup> March 2023 and provided a report, which forms part of Board Report. Further, M/s Lakshmi Subramanian & Associates, Company Secretaries LLP has been appointed as Secretarial Auditor for the financial year 2023-24 and 2024-25.

## 21. Non-compliance of any requirement of corporate governance

The Company is in compliance to all mandatory requirements in relation to the Corporate Governance Norms and the same has been stated at relevant places as required as per SEBI (LODR) Regulations, 2015 and there are no instances of non-compliance in relation to same.

## 22. Compliance to discretionary requirement of corporate governance

The Company has complied with all the mandatory requirements in relation to the Corporate Governance and wherever required has also taken steps for compliance/ implementation of discretionary items.

The details of implementation of discretionary items are provided below:

- a. Since the Chairman is executive, the Company has not provided for Chairperson office of non-executive chairperson.
- b. Company ensures proper disclosure and dissemination of information. Along with quarterly financial result, Company also provides details of its performance in terms of project and other details, which is provided to stock exchanges for dissemination to shareholders. However, Company does not circulate any half-yearly declaration of financial performance or summary of the significant events of six-months to shareholders.
- c. The Companies audit report is without any qualification. It had only disclaimer, which has been duly explained at the appropriate place.
- d. Company has duly adopted discretionary requirement and internal auditor reports are directly placed to the Audit Committee.

## 23. Disclosures of the compliance with corporate governance requirements

The Company has made all required disclosures in relation to the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46.

## 24. Details of Unclaimed and Unpaid dividend:

As at March 31, 2023, dividend amounting to Lakh has not been claimed by shareholders. The Company has been intimating the shareholders to lodge their claim for dividend from time to time.

As per the provisions of Section 124 of the Companies Act, 2013, dividends remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account are required to be credited to the IEPF. Financial year 2022-23, The company has transfer to IEPF ₹ 66,586.00 for Unpaid Dividend amount for the FY 2015-16.

In Pursuant to Section 124(6) of the Companies Act, 2013, the shares in respect of which, dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to

IEPF. The Government of India has notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, [Rules], detailing the procedure for such transfer.

In accordance with that, the Company has transfer to IEPF the equity shares in respect of which dividends remain unclaimed for seven consecutive years or more with proper notice to each individual through Registered Post.

The following statements showing the details of unclaimed dividend:

S. No.	Financial Year	Amount Due	Proposed year of transferred to IEPF
1.	2015-16	66586.00	September, 2023
2.	2016-17	132996.00	September, 2024
3.	2017-18	44172.50	September, 2025



## 25. Disclosure of the Demat Suspense Account

The following are the unclaimed shares in the Demat Suspense Account of the Company as at 31<sup>st</sup> March 2023:

Particulars	Number of Shareholders	Outstanding shares in the Suspense Account
Aggregate number of shareholders and outstanding shares in the suspense account lying at the beginning and end of the year.	NIL	NIL

During the year, there was no movement of shares in the suspense account has taken place and the shares still remains in suspense account. The shares held in suspense account shall remain frozen till the rightful owners of such shares claim the shares.

## 26. Code of Conduct

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board Members and Senior Management Personnel of the Company. An affirmation of compliance with the code is received from them on an annual basis. The Code is also hosted on the website of the Company.

A declaration about compliance with Code of Conduct and Ethics for the Board of Directors and Senior Management is provided at the end of this report.

## 27. CEO/CFO Certification:

The Managing Director and Chief Financial Officer have issued certificate pursuant to Regulation 17(8) of SEBI (LODR) Regulation, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

A CEO and CFO Certificate as per Regulation 17(8) of SEBI (LODR) Regulations, 2015, is attached at the end of this report.

## 28. Certificate on Compliance of Corporate Governance

Pursuant to Regulation 15(2) of SEBI (LODR) Regulation, 2015, a certificate from a P.S. SRINIVASAN, Partner, LAKSHMI SUBRAMANIAM & ASSOCIATES Firm certifying the compliance by the Company with the provisions of the Corporate Governance is annexed with this report.

For and on behalf of the Board of Directors

**P Arulsundaram**

Chairman & Managing Director  
DIN 00125403

Place: Erode  
Date: 04<sup>th</sup> September, 2023

## Declaration

As provided under SEBI (LODR) Regulation, 2015, the members of Board of Directors and the Senior Management Personnel have affirmed compliance with Companies Code of Conduct and Ethics for the Board of Directors and senior management for the year ended 31<sup>st</sup> March 2023.

Place: Erode  
Date: 04<sup>th</sup> September 2023

**P Arulsundaram**  
Chairman and Managing Director  
DIN: 00125403

## CEO and CFO Certificate

To,  
The Board of Directors  
R.P.P. Infra Projects Limited  
Erode

Dear Member of the Board,

We, P Arulsundaram, Chairman and Managing Director and A Nithya, Whole-Time Director and Chief Financial Officer of R.P.P. Infra Projects Limited certify that:

- a) we have reviewed financial statements and the cash flow statement for the Financial Year ended 31<sup>st</sup> March 20223 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there are no:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

**A Nithya**  
Chief Financial officer  
DIN: 00125357

**P Arulsundaram**  
Chairman and Managing Director  
DIN: 00125403

Place: Erode  
Date: 04<sup>th</sup> Sept2023





## Certificate on Compliance with the conditions of Corporate Governance

To,  
The Members of  
**RPP Infra Projects Limited**  
SF No. 454, Raghupathynaiken Palayam,  
Railway Colony Post, Poondurai Road,  
Erode - 638002, Tamil Nadu

We have examined the compliance of conditions of Corporate Governance by R.P.P Infra Projects Limited ("the Company") for the year ended 31<sup>st</sup> March 2023 as per Regulation 15 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as stipulated in Regulation 34(3) read with Schedule V of Listing Regulations.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as per relevant provisions of the Listing Regulations for the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **M/S. LAKSHMMI SUBRAMANIAN & ASSOCIATES**

P.S. SRINIVASAN  
PARTNER  
ACS NO - 1090  
CP NO - 3122

PEER REVIEW CERTIFICATE NO - 1670/2020

Place: Chennai  
Date: 04<sup>th</sup> September 2023

## Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**RPP Infra Projects Limited**  
SF No. 454, Raghupathynaiken Palayam,  
Railway Colony Post, Poondurai Road,  
Erode - 638002, Tamil Nadu

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of R.P.P Infra Projects Limited ("the Company") produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority as on date of this report:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Arul Sundaram Poosappan	00125403	04/05/1995
2	Mrs. Arulsundaram Nithya	00125357	19/02/1999
3	Mr. Muralidasan Perumal	01771215	01/04/2008
4	Mr. Rangasamy Kulanthasamy	07103549	14/11/2016
5	Mr. P R Sundararajan	07647740	14/11/2016
6	Mr. Ramasamy Kalaimony	08551489	14/11/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/S. LAKSHMMI SUBRAMANIAN & ASSOCIATES**

P.S. SRINIVASAN  
PARTNER  
ACS NO - 1090-  
CP NO - 3122

PEER REVIEW CERTIFICATE NO - 1670/2020:

Place: Chennai  
Date: 04<sup>th</sup> September 2023



# Independent Auditor's Report

TO THE MEMBERS OF R.P.P INFRA PROJECTS LIMITED

## Report on the Audit of the Standalone Financial Statements

### Opinion

I have audited the accompanying standalone financial statements of **R.P.P INFRA PROJECTS LIMITED** ("the Company"), which comprise the Balance sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information, which includes two branches and Twelve jointly controlled operations

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and it's cash flows for the year ended on that date.

### Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing ("SA's) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements section of my report.

I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for my opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the standalone financial statements of the current period. These matters were addressed in the context of my audit of the standalone financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined the matters described below to be the key audit matters to be communicated in my report.

S. No	Key Audit Matter	Auditor's Response
1.	<p><b>Revenue recognition in accordance with Ind AS 115 "Revenue from Contracts with Customers"</b></p> <p>The Company inter alia engages in Fixed-price development contracts, where, revenue is recognized using the percentage of completion computed as per the input method based on management's estimate of contract costs. (Refer Notes No. 27 to the Standalone Financial Statements)</p> <p>I identified revenue recognition of fixed price development contracts as a KAM considering –</p> <ul style="list-style-type: none"> <li>• There is an inherent risk around the accuracy of revenues given, the customised and flexible nature of these contracts in terms of tenure of the projects.</li> <li>• Application of revenue recognition accounting standard is complex and involves a number of key judgments and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation;</li> <li>• These contracts may involve onerous obligations on the Company that require critical estimates to be made by management; and</li> <li>• At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised in the balance sheet.</li> </ul>	<p><b>My audit procedures on revenue recognized from fixed price development contracts include</b></p> <ul style="list-style-type: none"> <li>• Understanding of the systems, processes and controls implemented by management for recording and calculating revenue and work-in-progress/Contract Assets.</li> <li>• On selected samples of contracts, I tested that the revenue recognized is in accordance with the accounting standard by – <ul style="list-style-type: none"> <li>➢ Evaluating the performance obligation;</li> <li>➢ Testing management's calculation of the estimation of contract cost and onerous obligation, if any. I : <ul style="list-style-type: none"> <li>❖ Observed that the estimates of cost to complete were reviewed and approved by appropriate levels of management;</li> <li>❖ Performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract; and</li> <li>❖ Assessed the appropriateness of work in progress (contract assets) in balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations.</li> </ul> </li> </ul> </li> </ul>

S. No	Key Audit Matter	Auditor's Response
2	<p><b>Measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices</b></p> <p>The Company, in its contract with customers, promises to transfer distinct services to its customers, which may be rendered in the form of engineering, procurement, and construction (EPC) services through design-build contracts, and other forms of construction contracts. The recognition of revenue is based on contractual terms, which could be based on agreed unit price or lump-sum revenue arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, involves a significant amount of judgment. Assessing the recoverability of contract assets related to overdue milestones and amounts overdue against invoices raised which have remained unsettled for a significantly long period after the end of the contractual credit period also involves a significant amount of judgment. Refer to Note No. 2.14(i) and Note No.27of the standalone financial statements</p>	<p>The procedures performed included the following:</p> <ul style="list-style-type: none"> <li>● obtained an understanding of the Company's processes in collating the evidence supporting execution of work for each disaggregated type of revenue;</li> <li>● obtained an understanding of the Company's processes in assessing the recoverability of amounts overdue and process over estimating the expected credit loss allowance;</li> <li>● tested the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumptions into the provisioning model;</li> <li>● evaluated controls over authorisation and calculation of provisioning model;</li> <li>● evaluated the delivery and collection history of customers against whose contracts un-invoiced revenue is recognised;</li> <li>● verified for the sample selected, receipts post balance sheet date upto the approval of the financial statements by the Board of Directors of the Parent Company;</li> <li>● performed an overall assessment of the expected credit loss provision to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment; and</li> <li>● tested the appropriateness of the disclosures in the financial statements to ensure compliance with Ind AS 115</li> </ul>
3	<p><b>Claims and exposures relating to taxation and litigation</b></p> <p>The Group is subject to a considerable number of tax and legal disputes, which have been disclosed / provided for in the financial statements based on the facts and circumstances of each case.</p> <p>Taxation and litigation exposures have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.</p> <p>(Refer Note No. 40, Note no. 12.1)</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> <li>● Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process.</li> <li>● For selected controls I have performed tests of controls.</li> <li>● Obtained the summary of Group's legal and tax cases and critically assessed management's position through discussions with the Legal Counsel, on both the probability of success in significant cases, and the magnitude of any potential loss.</li> <li>● Examined external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims.</li> <li>● Assessed the relevant disclosures made within the financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards.</li> <li>● Assessed the competence and objectivity of the Group's experts, to satisfy ourselves that these parties are suitable in their roles.</li> </ul>

**I have determined that there are no other Key Audit Matters to communicate in my report.**

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and my auditors' report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work I have performed, I have nothing to report in this regard.



## Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships

and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

I did not audit the financial statements of Two branches and twelve jointly controlled operations included in the standalone financial results of the Company, whose results reflect total assets of Rs. 123.90 Crore as at 31<sup>st</sup> March, 2023 and total revenues of Rs. 395.95 Crore and Rs.(1.56) Crore, net profit/(Loss) after tax and total comprehensive income of Rs. Nil for the year ended March 31<sup>st</sup> 2023, respectively and net cash flows amounting to Rs.12.86 Crore for the year then ended. These branch financial statements have been audited by other Auditors whose reports and these JV's financial statements have been audited by other Auditors whose reports have been furnished to me by the Management and my opinion on the standalone financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by me are as stated in paragraph above. The RPP HSEA JV, RPP INFRASTRUCTURE JV, RPP OPG JV though incorporated, business is yet to commence.

My opinion is not modified in respect of this matter.

### Emphasis of Matter

I invite attention to:

- (a) Note No.40 which lists out the status of Income Tax Assessments of various years and also the year wise status of various notices received from Goods & Service Tax.
- (b) Note No.40 where the Company has declared that the reconciliation of Input Tax Credit & GSTR 2A is under progress
- (c) Note No.17 & 18 where the Company has declared that they have initiated a rectification process to resolve the difference between Paid up Share capital appearing in the books and MCA portal

My Opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies

Act, 2013, I give in the Annexure -B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, I report that:
  - (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
  - (c) The reports and accounts of the branch offices situated in Sri Lanka and Bangladesh have not been audited by me and I have not received any audit report for the same.
  - (d) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (Including other Comprehensive income), the standalone statement of changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
  - (e) In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B".
  - (h) In my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:



- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.40 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been a delay in transferring the amount of unclaimed dividend to the Investor Education and Protection Fund.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

For **CA S.N. Duraiswamy**  
Membership No.: 026599  
UDIN: 23026599BGQHXX5909

Place: Erode  
Date: 29 May 2023

## Annexure 'A' to the Independent Auditors' Report on the Standalone Financial Statements of RPP Infra Projects Limited

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory requirements" section of our report of even date)

With reference to the Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March 2023, I report the following:

- 3(i) In respect of the Company's Property Plant and Equipment:
- (a) (A) the company is generally maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) the company is maintaining proper records showing full particulars of intangible assets.
  - (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its in a phased manner during the year. In my opinion, this physical verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties disclosed in the standalone financial statements shown under the Property Plant and Equipment schedule are held in the name of the Company.
  - (d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
  - (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no proceedings, that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 3(ii) (a) The inventory has been physically verified by the management during the year. In my opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crores rupees from banks on the basis of security of current assets, and the quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts.
- 3(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a),(b),(c),(d),(e),(f) of the Order are not applicable to the Company.
- 3(iv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments nor has it given any loans or provided any guarantee or security to which provisions of Section 185 of Companies Act 2013 apply. In my opinion and according to explanations given to me, the company has complied with the provisions of the sections 186 of the Act, with respect to the loans given, investment made, guarantees and security given.
- 3(v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 3(vi) I have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records u/s 148 of the Act, and is of the opinion that prima facie, the prescribed accounts and records have been made and maintained. I have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 3(vii) According to the information and explanations given to me, in respect of statutory dues:
- a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, duty of customs, cess and any other statutory dues to the appropriate authorities have generally been





regularly deposited except the following which is not paid with the appropriate authorities.

Name of the Statute	Nature of Liability	Amount in Rs.
Service Tax Act	Service tax liability	53,63,313

- b) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, duty of customs, cess and any other statutory

- c) Details of dues of Income Tax, Goods and Service Tax which have not been deposited as at March 31, 2023 on account of dispute are given below:

dues to the appropriate authorities have generally been regularly deposited with the appropriate authorities though there had been delays in the following cases:

Name of the Statute	Nature of Liability	Amount in Rs.
Income Tax Act	Income tax – 2016-17	13,28,336
Income Tax Act	Income tax – 2014-15	1,09,79,556
Income Tax Act	Income tax – 2010-11	49,95,806
Income Tax Act	Income tax – 2011-12	30,99,224

Name of Statute	Nature of the due	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending	Date of Demand Raised	Date of Response	Management Remarks
Income Tax Act	Income Tax	5,066	2005-06	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	29/10/2008	29/05/2015 - Transaction-ID 2156246968	The Response to the demand raised in 2008, was given on 29.05.2015 vide transaction ID 2156246968, where we have submitted that there are no dues from our side payable to the department. Since we are unaware of the details we have requested the department to provide the details of the demand to enable us to work on.
Income Tax Act	Income Tax	24,14,650	2005-06	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	17/08/2007	12/05/2015 - 2140626493	The Response to the demand raised in 2008, was given on 12.05.2015 vide transaction ID 2140626493, where we have submitted that there are no dues from our side payable to the department. Since we are unaware of the details we have requested the department to provide the details of the demand to enable us to work on.
Income Tax Act	Income Tax	8,268	2007-08	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	19/3/2010	29/05/2015 - 2156248760	The Response to the demand raised in 2010, was given on 29.05.2015 vide transaction ID 2156248760, where we have submitted that there are no dues from our side payable to the department. Since we are unaware of the details we have requested the department to provide the details of the demand to enable us to work on.
Income Tax Act	Income Tax	2,546	2008-09	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	23/02/2011	29/05/2015 - 2156249791	The Response to the demand raised in 2010, was given on 29.05.2015 vide transaction ID 2156249791, where we have submitted that there are no dues from our side payable to the department. Since we are unaware of the details we have requested the department to provide the details of the demand to enable us to work on.

Name of Statute	Nature of the due	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending	Date of Demand Raised	Date of Response	Management Remarks
Income Tax Act	Income Tax	67,33,908	2008-09	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	16/11/2017 -		We are yet to receive the details of the demand raised in the portal, based on which we need to submit our response and decide on further course of action.
Income Tax Act	Income Tax	141,81,035	2009-10	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	21/08/2019 -		We had approach the Settlement commission in the year 2017 and received the settlement order in the year 2019. The settlement order had imposed a demand of 1.41 crores against which we have remitted 1.01 crores in three instalments. The difference of 0.33 crores refers to TDS which was not updated in the portal at the time of settlement application but later on was updated which we have consider while making the settlement payment.
Income Tax Act	Income Tax	2,47,29,787	2010-11	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	21/08/2019 -		Portal not updated since 2016. To give effect to assessment order. And also the tax paid in the 3 instalments.
Income Tax Act	Income Tax	0	2011-12	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	21/08/2019		Portal not updated since 2016. To give effect to Order under Sec 245D(6) Dated 20/06/2019.
Income Tax Act	Income Tax	0	2012-13	The Deputy Commissioner of Income Tax, Central Circle II, Coimbatore	21/08/2019		Portal not updated since 2016. To give effect to Order under Sec 245D(6) Dated 20/06/2019.
Income Tax Act	Income Tax	6,88,497	2013-14	Income Tax Department-CPC	21/08/2019		We are yet to submit our response and decide on further course of action.
Income Tax Act	Income Tax	21,49,664	2014-15	Income Tax Department-CPC	21/08/2019		We are yet to submit our response and decide on further course of action.
Income Tax Act	Income Tax	9,20,190	2015-16	Income Tax Department-CPC	30/01/2020		The details of the demand raised in the portal on 31/1/2020 is not known against which we have gone an appeal with respect to 80IA deductions on 26.02.2021. the final demand to be paid will be determined based the appeal order which we have yet to receive.
Income Tax Act	Income Tax	4,36,51,960	2015-16	Income Tax Department-CPC	30/01/2020		Appeal filed on 26/02/2021.
Income Tax Act	Income Tax	35,17,720	2016-17	Income Tax Department-CPC	15/03/2021		Portal not updated. Give effect to the appellate order.
Income Tax Act	Income Tax	7,01,02,480	2016-17	Income Tax Department-CPC	15/03/2021		Portal not updated to give effect to the appellate order.
Income Tax Act	Income Tax	33,58,690	2017-18	Income Tax Department-CPC	16/10/2019		Rectification request 143(3) to be placed.
Income Tax Act	Income Tax	11,80,62,760	2017-18	Income Tax Department-CPC	16/10/2019		Rectification request 143(3) to be placed.
Income Tax Act	Income Tax	5,96,66,460	2018-19	Income Tax Department-CPC	21/03/2021		Response to 143(1) is yet to be made.



Name of Statute	Nature of the due	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending	Date of Demand Raised	Date of Response	Management Remarks
Income Tax Act	Income Tax	0	2018-19	Income Tax Department-CPC	31/03/2022		Reply made. Awaiting response from Department
Service Tax Act	Service Tax	2.52 Crores	2004-09	Commissioner of Central excise dept	13/12/2010		Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	0.63 Crores	2010	Commissioner of Central excise dept	13/12/2010		Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	1.87 Crores	2010-11	Commissioner of Central excise dept	13/12/2010		Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	3.44 Crores	2012	Commissioner of Central excise dept	13/12/2010		Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	2.18 Crores	2012-13	Commissioner of Central excise dept	13/12/2010		Awaiting decision or order in response to the appeal filed, from the department.
Service Tax Act	Service Tax	12.29 Crores	2014-17	Commissioner of Central excise dept	30/12/2020		Awaiting for the order in respect of the Notice.
Value Added Tax	VAT	97.57Crores	2012-15	Commissioner of Commercial Tax dept	04/11/2020		Petition filed in the High court.
Value Added Tax	VAT	9,07,852	2010-11	Appellate Deputy Commissioner (ST)	06/10/2021		Pending before Appellate Deputy Commissioner (ST)
Value Added Tax	VAT	15,28,762	2011-12	Appellate Deputy Commissioner (ST)	08/10/2021		Pending before Appellate Deputy Commissioner (ST)
Value Added Tax	VAT	12,83,202	2012-13	Appellate Deputy Commissioner (ST)	18/10/2021		Pending before Appellate Deputy Commissioner (ST)
Value Added Tax	VAT	21,54,469	2013-14	Appellate Deputy Commissioner (ST)	28/10/2021		Pending before Appellate Deputy Commissioner (ST)
Value Added Tax	VAT	4,70,492	2014-15	Appellate Deputy Commissioner (ST)	28/10/2021		Pending before Appellate Deputy Commissioner (ST)
Income Tax Act	TDS	6,67,680	Various periods	Income Tax Department-CPC			Awaiting the Notice from Department
Goods & Service Tax	Tax	5,18,66,276	2017-18	Office of the Commissioner Taxes (Audit) 3.8 Karnataka. Mr. Kamalakar			Appeal filed on 31 01 2023 by paying predeposit fee
Goods & Service Tax	Tax	62700000	2018-19	Order of Seizure Mr. Abhishek Sinha, Senior Intelligence Officer, Nagpur			Writ Petition filed on 16 May 2023
Goods & Service Tax	Tax	22,63,406	2019 – 20	Erode office			Ref. No. 222804221061817
Goods & Service Tax	Tax	2,94,30,994	2017-18	Office of DC Telangana			Further appeal filed within the due date. Appeal No. ZD3601230293110/ ORDER DATED 19/01/2023
Goods & Service Tax	Tax	1,25,00,000	2017 -18 & 2018 -19	Investigation DGGI Telangana			Voluntary paid during 2019. No further response from the department
Goods & Service Tax	Tax	1,19,50,558	2021-22	DC Kerala Thrissur	04-01-2023		Order No. 32AERP9014L1ZF/2021-22 Appeal to appellate Authority 26/04/2023

- 3(viii) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income tax Act, 1961 as income during the year.
- 3(ix) (a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not defaulted in repayment of dues to its bank, financial institution, and to the Government for the year ended 31-03-2022.
- (b) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or any financial institution.
- (c) In my opinion and according to the information and explanations given to me, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to me, and the procedures performed by me, and on an overall examination of the financial statements of the company, I report that no funds raised on short-term basis have been used for long-term purposes by the company
- (e) According to the information and explanations given to me and on an overall examination of the financial statements of the company, I report that the company has not taken an funds on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence reporting under this clause is not applicable.
- (f) According to the information and explanations given to me and procedures performed by me, I report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 3(x) (a) In my opinion and according to the information and explanations given to me, the company has utilised the money raised by way of initial public offer/ further public offer (including debt instruments) for the purposes for which they were raised.
- (b) The company has made preferential allotment of shares during the year, and the requirements of Section 42 and Section 62 of Companies Act 2013 have been complied with. The funds raised have been utilized for the purpose for which the funds were raised.
- 3(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to me, considering the principles of materiality outlined in Standards on Auditing, I report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to me, no report under sub-section (12) of Section 143 of the Act has been filed by the auditor in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to me by the management, there are no whistle blower complaints received by the company during the year.
- 3(xii) The Company is not a Nidhi Company and therefore clause 3(xii) of the Order is not applicable to the Company and I do not comment upon this provision.
- 3(xiii) In my opinion, all the Related Party Transactions entered into by the Company during the year are in compliance with the provisions Sec. 188 & 177 of the Act and the details thereof have been disclosed in the Financial Statements as required by the Accounting standards and the Act.
- 3(xiv) (a) Based on the information and explanation provided to me, in my opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (b) I have considered the internal audit reports of the company issued till date, for the period under audit.
- 3(xv) According to the information and explanations given to me, in my opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- 3(xvi) In my opinion, the Company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) (a), (b) is not applicable
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. According Clause 3(xvi) (c),(d) is not applicable.
- 3(xvii) The Company has not incurred cash losses in the current financial year and also in the immediately preceding financial year.



3(xviii) There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.

3(xix) According to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, my knowledge of the Board of Directors and management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of

the company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

3(xx) In my opinion and according to the information and explanations given to me, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable

For **CA S.N. Duraiswamy**  
Membership No.: 026599  
UDIN: 23026599BGQHXXQ5909

Place: Erode  
Date: 29 May 2023

## Annexure 'B' to the Independent Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of RPP Infra Projects Limited as of March 31, 2022 in conjunction with my audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's

internal financial controls system over financial reporting, except relating to the branches in Sri Lanka and Bangladesh.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements are operating effectively as at 31 March 2023, except relating to the branches in Sri Lanka and Bangladesh for which I have neither audited nor received an Independent Auditor's report on the same, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **CA S.N. Duraiswamy**  
Membership No.: 026599  
UDIN: 23026599BGQHXXQ5909

Place: Erode  
Date: 29 May 2023



## Balance Sheet as at 31st March, 2023

(₹ in Crore)

Particulars	Notes	As at 31st March 2023	As at 31st March 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	67.04	61.54
Capital work in progress	4	2.13	2.53
Other Intangible assets	5	0.07	0.01
<b>Financial assets</b>			
Investments	6	7.14	7.14
Long Term Loans & Advances	7	2.14	2.14
Other Financial Assets	8	71.44	53.60
Deferred Tax Asset	9	0.00	0.00
Other Non-Current Assets	10	3.26	4.63
<b>Total Non -Current Assets</b>		<b>153.21</b>	<b>131.59</b>
<b>Current assets</b>			
Inventories	11	16.47	18.30
<b>Financial assets</b>			
Investments			
Trade Receivables	12	169.23	207.30
Cash and Cash equivalents	13	37.38	41.52
Short Term Loans & Advances	14	53.32	24.07
Other Financial Asset	15	92.66	142.49
Other Current Assets	16	196.06	157.37
Current Tax Assets (net)	26	16.57	16.03
<b>Total Current Assets</b>		<b>581.69</b>	<b>607.08</b>
<b>Total assets</b>		<b>734.90</b>	<b>738.67</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	17	37.46	36.69
Share Warrant		2.88	0.00
Other Equity	18	305.13	280.92
<b>Total equity</b>		<b>345.46</b>	<b>317.61</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	19	31.85	42.28
Other Financial Liabilities			
Deferred Tax Liability	9	1.64	0.67
Provisions	20	1.63	0.35
<b>Total Non-current liabilities</b>		<b>35.12</b>	<b>43.30</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	21	47.58	62.04
Trade payables			
(a) Total outstanding dues of micro enterprises & small enterprises			
(b) Total outstanding dues of creditors other than micro enterprises & small enterprises	22	96.10	114.66
Other current financial liabilities	23	159.74	175.13
Other Current Liabilities	24	47.25	22.30
Short Term Provisions	25	2.62	2.49
Current Tax Liabilities (Net)	26	1.01	1.13
<b>Total Current liabilities</b>		<b>354.31</b>	<b>377.76</b>
<b>Total liabilities</b>		<b>389.44</b>	<b>421.06</b>
<b>Total equity and liabilities</b>		<b>734.90</b>	<b>738.67</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

**CA S N Duraiswamy**

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXQ5909

**P. Arul Sundaram**

Chairman & Managing Director  
DIN: 00125403

**A. Nithya**

Whole Time Director & Chief Financial Officer  
DIN: 00125357

**Shammi Praksash**

Company Secretary  
M.No: F12231

## Standalone Statement of Profit and Loss for the year ended 31st March 2023

(₹ in Crore)

Particulars	Notes	As at 31st March 2023	As at 31st March 2022
<b>Income</b>			
Revenue from operations	27	1005.25	779.82
Other income	28	22.13	14.19
<b>Total income</b>		<b>1027.37</b>	<b>794.01</b>
<b>Expenses</b>			
Cost of Material Consumed	29	321.06	186.35
Direct Operating Cost	30	547.49	511.34
Employee benefits expense	31	31.09	18.32
Finance Cost	32	13.34	13.98
Depreciation and amortization expense	33	9.10	7.97
Other expenses	34	66.55	41.86
<b>Total expense</b>		<b>988.62</b>	<b>779.82</b>
<b>Profit/(Loss) before Exceptional item and tax</b>		<b>38.76</b>	<b>14.19</b>
Exceptional Item		-	-
<b>Profit / (Loss) after Exceptions item and before tax</b>		<b>38.76</b>	<b>14.19</b>
<b>Tax Expense</b>			
Current Tax	35	11.80	5.17
Deferred tax	35	0.97	0.66
<b>Total Tax Expense</b>		<b>12.76</b>	<b>5.83</b>
<b>Profit/(loss) for the year</b>		<b>25.99</b>	<b>8.36</b>
<b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		-	-
Remeasurement of defined benefit plans	36	1.41	0.09
Net change in fair values of investments in equity shares carried at fair value through OCI		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the period / year, net of tax		<b>1.41</b>	<b>0.09</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>24.58</b>	<b>8.28</b>
<b>Earnings per share</b>			
(1) Basic (in INR)	38	8.02	2.64
(2) Diluted (in INR)	38	8.02	2.64

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

**CA S N Duraiswamy**

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXXQ5909

**P. Arul Sundaram**

Chairman & Managing Director

DIN: 00125403

**A. Nithya**

Whole Time Director & Chief Financial Officer

DIN: 00125357

**Shammi Praksash**

Company Secretary

M.No: F12231





## Standalone Statement of Cash Flows for the year ended 31st March 2023

(₹ in Crore)

Particulars	Notes	As at 31st March 2023	As at 31st March 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>PROFIT BEFORE TAX</b>		<b>38.76</b>	<b>14.19</b>
<b>NON-CASH ADJUSTMENTS TO RECONCILE PROFIT/(LOSS) BEFORE TAX TO NET CASH FLOWS</b>			
<b>Add:</b> Depreciation		9.10	7.97
<b>Add:</b> Interest paid		13.34	13.98
<b>Less:</b> Interest received		(6.28)	(4.11)
<b>Add:</b> (Profit)/Loss on sale of Property, Plant and Equipment (Net)		(3.31)	(0.17)
<b>Add:</b> (Profit)/Loss on sale of Investment (Net)		0.00	0.00
<b>Add:</b> Changes in WIP		0.00	0.00
<b>Add:</b> Other non-cash items		0.97	0.00
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>52.57</b>	<b>31.86</b>
<b>WORKING CAPITAL ADJUSTMENTS</b>			
Increase / (Decrease) in Trade Payables		(18.56)	(13.57)
Increase / (Decrease) in Other Current Financial Liabilities		(15.39)	97.21
Increase / (Decrease) in Other Current Liabilities		24.95	9.89
Increase / (Decrease) in Short Term Provisions		0.13	0.03
(Increase) / Decrease in Trade Receivables		38.07	(61.37)
(Increase) / Decrease in Inventories		1.83	(6.98)
(Increase) / Decrease in Other Non-Current Assets		1.37	(0.15)
(Increase) / Decrease in Short Term Loans & Advances		(29.25)	1.36
(Increase) / Decrease in Other Financial assets		49.83	5.27
(Increase) / Decrease in Other Current Assets		(38.69)	(52.04)
Increase / (Decrease) in Provisions		1.28	0.05
Increase / (Decrease) in Other Non Current Financial Asset		(17.84)	36.84
Other Adjustments		0.00	(2.15)
<b>Cash generated from/(used in) operating activities</b>		<b>50.31</b>	<b>46.25</b>
<b>Less:</b> Direct Taxes Paid		(12.76)	(13.78)
<b>Net cash generated from/(used in) operating activities</b>		<b>37.55</b>	<b>32.47</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Investments		0.00	0.00
Payments for Purchase of Property, Plant and Equipment		(23.50)	(21.62)
Proceeds from Sale of Property, Plant and Equipment		5.18	0.65
Interest received		6.28	4.11
<b>Net cash generated from/(used in) investing activities</b>		<b>(12.03)</b>	<b>(16.86)</b>

## Standalone Statement of Cash Flows for the year ended 31st March 2023

(₹ in Crore)

Particulars	Notes	As at 31st March 2023	As at 31st March 2022
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		0.00	0.00
Repayment of borrowings		(24.88)	(18.70)
Net changes in Long Term Loans & Advances		0.00	0.50
Interest paid		(13.34)	(13.98)
Purchase of equity or debt instruments of other entities		3.65	13.04
Others		4.93	28.49
<b>Net cash generated from/(used in) financing activities</b>		<b>-29.65</b>	<b>9.34</b>
<b>Net increase in cash and cash equivalents</b>		<b>-4.13</b>	<b>24.95</b>
<b>Add:</b> Cash and Cash Equivalents at the beginning of the period	13	41.52	16.57
Cash and Cash Equivalents at the end of the period	13	37.38	41.52

### Notes:

- Statement of cash flows has been prepared under the indirect method as set out in the IND AS 7 "Statement of cash Flows" as specified in the companies (indian accounting Standards) Rules, 2015
- Previous year figures have been regrouped/reclassified wherever required

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

**CA S N Duraiswamy**

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXXQ5909

**P. Arul Sundaram**

Chairman & Managing Director

DIN: 00125403

**A. Nithya**

Whole Time Director & Chief Financial Officer

DIN: 00125357

**Shammi Praksash**

Company Secretary

M.No: F12231



## Standalone Statement of Changes in Equity for the year ended 31st March 2023

### a. Equity Share Capital

	Note No	Number	₹ in Crore
<b>Equity shares of ₹ 10 each issued, subscribed and fully paid</b>			
<b>As at 31<sup>st</sup> March 2021</b>		<b>23650584.00</b>	<b>23.65</b>
Issue of share capital	17	13035716.00	13.04
<b>As at 31<sup>st</sup> March 2022</b>		<b>36686300.00</b>	<b>36.69</b>
Issue of share capital	17	773064.00	0.77
<b>As at 31<sup>st</sup> March 2023</b>		<b>37459364.00</b>	<b>37.46</b>

### b. Other Equity

Particulars	Note No	Reserves & Surplus				Share Application Money	Total Other Equity
		Share Premium	Retained Earnings	Share Warrant	Other Reserves	Share Application Money	
<b>As at 1 April 2022</b>		<b>74.12</b>	<b>195.63</b>	<b>0.00</b>	<b>9.02</b>	<b>2.15</b>	<b>280.92</b>
Profit for the period	18	0.00	25.98	0.00	0.00	0.00	25.98
Dividend	17.5	0.00	0.00	0.00	0.00	0.00	0.00
Dividend distribution tax	17.5	0.00	0.00	0.00	0.00	0.00	0.00
Share Warrant Premium	18	10.87	0.00	0.00	0.00	0.00	10.87
Share Warrant	18	0.00	0.00	2.88	0.00	0.00	2.88
Share Warrant Forfeiture	18	0.00	0.00	0.00	0.00	0.00	0.00
Rights Issue Premium	18	0.95	0.00	0.00	0.00	0.00	0.95
Share Application Money Pending allotment	18	0.00	0.00	0.00	0.00	(0.85)	-0.85
Others	18	0.00	(10.65)	0.00	(0.69)	0.00	-11.34
Other comprehensive income	18	0.00	(1.41)	0.00	0.00	0.00	-1.41
<b>As at 31<sup>st</sup> March 2023</b>		<b>85.95</b>	<b>209.55</b>	<b>2.88</b>	<b>8.33</b>	<b>1.30</b>	<b>308.00</b>
<b>As at 1 April 2021</b>		<b>48.05</b>	<b>187.08</b>	<b>0.00</b>	<b>2.38</b>	<b>0.00</b>	<b>237.52</b>
Profit for the period	18	0.00	8.28	0.00	0.00	0.00	8.28
Dividend	17.5	0.00	0.00	0.00	0.00	0.00	0.00
Dividend distribution tax	17.5	0.00	0.00	0.00	0.00	0.00	0.00
Share Warrant Premium	18	0.00	0.00	0.00	0.00	0.00	0.00
Share Warrant Forfeiture	18	0.00	0.00	0.00	6.64	0.00	6.64
Rights Issue Premium	18	26.07	0.00	0.00	0.00	0.00	26.07
Share Application Money Pending allotment	18	0.00	0.00	0.00	0.00	2.15	2.15
Others	18	0.00	0.27	0.00	0.00	0.00	0.27
Other comprehensive income	18	0.00	0.00	0.00	0.00	0.00	0.00
<b>As at 31<sup>st</sup> March 2022</b>		<b>74.12</b>	<b>195.63</b>	<b>0.00</b>	<b>9.02</b>	<b>2.15</b>	<b>280.92</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

**CA S N Duraiswamy**

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXX5909

**P. Arul Sundaram**

Chairman & Managing Director

DIN: 00125403

**A. Nithya**

Whole Time Director & Chief Financial Officer

DIN: 00125357

**Shammi Praksash**

Company Secretary

M.No: F12231

# Notes to the Standalone Financial Statements for the year ended 31st March 2023

## Note 1: Company Overview

RPP Infra Projects Limited has been engaged in nation-building since 1995. It is engaged in construction across multiple infrastructure verticals like roads, buildings, industrial structures, power, irrigation and water management and has executed many projects in Tamil Nadu, Kerala, Karnataka, Andhra Pradesh, Telangana, Madhya Pradesh, Maharashtra, Andaman & Nicobar, Jharkand and Uttar Pradesh for 28 years.

## Note 2: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements.

### 2.01 Statement of compliance

#### Recent Accounting Developments:

##### 1) New Standards notified and adopted by the Company

MCA on 29 March 2018 notified the new standard for revenue recognition – Ind AS 115 (effective from 1 April 2018) which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five-step application principle to be followed for revenue recognition:

- a) Identification of the contracts with the customer
- b) Identification of the performance obligations in the contract
- c) Determination of the transaction price
- d) Allocation of transaction price to the performance obligations in the contract (as identified in step b)
- e) Recognition of revenue when the Company satisfies a performance obligation.

A number of other standards had been modified on miscellaneous issues with effect from 1<sup>st</sup> April 2018. Such changes include principle for transfer of asset to, or from, Investment Property (Amendment to Ind AS 40), determination of exchange rate for translation of foreign currency where a pre-payment asset or a deferred income liability is recognized (Amendment to Ind AS 21), segregation of deductible temporary differences in accordance with tax laws and assessing them on that basis to recognise deferred tax asset (Amendment to Ind AS 12), permitting election of fair value or equity method of accounting for investments in associates and joint ventures by venture capital, mutual fund and other similar organisations (Amendment to Ind AS 28) and Applicability of disclosure requirements to interests classified as held for sale or as discontinued operation (Amendment to Ind AS 112).

None of these amendments have any material effect on the Company's financial statements.

##### 2) Ind AS New Standard notified but not early adopted by the Company

###### (i) New Accounting Standard on Lease

Ind AS 116 replaces existing standard Ind AS 17 "Leases". The standard is effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low value items. Lessor accounting remains similar to the current standard.

The said amendment does not have any impact on the financial statements.

###### (ii) Other amendments

Several other accounting standards have been modified on miscellaneous issues with effect from 1<sup>st</sup> April 2019. Such changes include clarification/guidance on:

- a) business combination accounting in case of obtaining control of a joint operation;
- b) accounting in case of obtaining joint control of an operation wherein there was no joint control earlier;
- c) income tax consequences in case of dividends;
- d) accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities;
- e) accounting treatment for specific borrowings post capitalization of corresponding qualifying asset;
- f) accounting for prepayment features with negative compensation in case of debt instruments;
- g) accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans;
- h) accounting for long-term interests in associates and joint ventures to which the equity method is not applied but that in substance form part of the net investment in the associate or joint venture (long-term interests).

None of these amendments are expected to have any material effect on the Company's financial statements.

### 2.02 Basis of Preparation

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flow together with notes for the year ended March 31,



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

2021, have been prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules as amended from time to time.

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Division II of Schedule III to the Companies Act, 2013."

### Operating Cycle

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

### Current and Non Current Classification

An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between

market participants at the measurement date under current market conditions

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2- Inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3- Unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

### Functional and Presentation Currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The Financial Statements are presented in Indian Rupees which is company's presentation currency. All financial information presented in Crores has been rounded to two decimals except where otherwise indicated.

## 2.03 Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

### Assumptions and Key Sources of Estimation Uncertainty

#### (i) Revenue

Revenue is recognised based on the extent of progress towards completion of the performance obligation. This requires the Company to estimate total contract revenue, and remaining cost to complete the contract at the end of each reporting date. The financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, therefore recognized revenue and profit are subject to change as the contract progresses to completion.

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### (ii) Useful life of Property, Plant & Equipment (PPE)

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management which is reviewed at the end of each reporting period. The rate of depreciation adopted by the company has been tabulated in note 2.03

### (iii) Expected Credit Loss (ECL)

Expected Credit Loss is prepared based on the historical data for the past two years with half yearly intervals and the probability of default is computed accordingly. The mechanism tries to identify the receivables which would probably result in becoming unrecoverable for the company and additional provision is created by company based on the ECL model.

### (iv) Employee Benefits - Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

### (v) Taxation

Determining of income tax liabilities using tax rates and tax laws that have been enacted or substantially enacted requires the Management to estimate the level of tax that will be payable based upon the Group's/expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

### (vi) Fair value measurement

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Company used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques

and inputs to fair value measurements. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 45.

### (vii) Provision for contractual obligation

Assessments undertaken in recognising provisions for contractual obligation have been made as per the best judgement of the management based on the current available information.

## 2.04 Property, Plant and Equipment

Land and buildings, Property, Plant and Equipments held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management and initial estimate of decommissioning, restoring and similar liabilities. Such cost includes the cost of replacing part of the plant and equipment and professional fees. Any trade discounts and rebates are deducted in arriving at the purchase price. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. All other repair and maintenance costs are recognised in profit or loss as incurred. Own fabricated assets are capitalized at cost including an appropriate share of overheads.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

### Depreciation on Property, Plant & Equipment

Depreciation of these PPE commences when the assets are ready for their intended use. It is provided on the cost of PPE (other than leasehold land) less their residual values, using the straight line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. The Company has used the following rates to provide depreciation on its property, plant and equipment.



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

Particulars	Rate of depreciation
Land	0.00%
Buildings	3.00%
Plant & Machinery	4.75%
Office Equipment	6.33%
Furniture and Fixtures	6.33%
Computer	16.21%
Light Motor Vehicle	9.50%
Heavy Vehicle	11.31%

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 10,000/- which are fully depreciated at the time of addition.

On subsequent expenditure on PPE arising on account of capital improvement or other factors, depreciation is provided for prospectively over the remaining useful life.

Depreciation on refurbished/revamped PPE which are capitalized separately is provided for over the reassessed useful life.

### De-Recognition:

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised as in the Statement of Profit and Loss.

Assets not ready for the intended use on the date of the Balance Sheet are disclosed as Capital Work-in-Progress.

### 2.05 Intangible Assets

Intangible assets with finite useful lives that are acquired separately, are carried at cost less accumulated amortisation and accumulated impairment losses. The costs comprises of all cost, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible asset. Amortisation is recognised on a straight line basis over their estimated useful lives from the date of capitalisation. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively.

Computer software are amortized on a straight line basis over a period of 3 years.

### De-recognition

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

### 2.06 Impairment of tangible and intangible assets

The Company reviews the carrying amount of its tangible and intangible assets and Property, Plant and Equipment (including Capital Works-in -Progress) of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount and impairment loss is recognised in the Statement of Profit and Loss.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

### 2.07 Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

#### Operating leases:

- (i) Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the related assets are classified as operating leases.
- (ii) Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

### 2.08 Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

### 2.09 Financial assets

Financial assets comprises of investments, trade receivables, cash and cash equivalents, term loans and advances and other financial assets.

#### (i) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

#### (ii) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

#### (iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

#### (v) Impairment of financial assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

#### (vi) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.





## Notes to the Standalone Financial Statements for the year ended 31st March 2023

On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

### 2.10 Financial liabilities

#### (i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

#### (ii) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method

#### (iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

### 2.11 Inventories

Inventories are stated at lower of cost and net realisable value. Cost of construction / raw materials comprises cost of purchases and includes taxes and duties and is net of eligible credits under CENVAT/ VAT schemes/ Input Tax Credit (ITC). It also includes all other related costs incurred in bringing the inventories to their present location and condition.

Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories. Cost is determined on first in first out basis. Cost of surplus/ obsolete/ slow moving inventories are adequately provided for. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

### 2.13 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

### 2.14 Revenue recognition

#### (i) Construction Contracts

Revenue is measured based on the consideration specified in a contract with a customer. Company recognises revenue when or as it transfers control over a good or service to a customer.

Allocation of transaction price to performance obligations - A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue, when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, we evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment; some of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract.

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

**Payment terms** - Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Payment terms may either be fixed, lump-sum or driven by time and materials (i.e., daily or hourly rates, plus materials). Because typically the customer retains a small portion of the contract price until completion of the contract, our contracts generally result in revenue recognised in excess of billings which we present as contract assets on the statement of financial position. Amounts billed and due from our customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component because the intent is to protect the customer. For some contracts, we may be entitled to receive an advance payment. We recognise a liability for these advance payments in excess of revenue recognised and present it as contract liabilities on the statement of financial position. The advance payment typically is not considered a significant financing component because it is used to meet working capital demands that can be higher in the early stages of a contract and to protect us from the other party failing to adequately complete some or all of its obligations under the contract.

**Warranty** - Certain contracts include an assurance-type warranty clause, typically between 18 to 36 months, to guarantee that the products comply with agreed specifications.

**Revenue recognised over time** - Our performance obligations are satisfied over time as work progresses or at a point in time when performance obligations are fulfilled and control transfers to the customer. Typically, revenue is recognised over time using an input measure (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress.

**Cost-to-cost method** - For our long-term contracts, because of control transferring over time, revenue is recognised based on the extent of progress towards completion of the performance obligation. Upon adoption of the new standard we generally use the cost-to-cost measure of progress for our contracts because it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Any expected losses on construction-type contracts in progress are charged to earnings, in total, in the period the losses are identified.

Previously, such contracts were accounted for under IAS 11 on Construction Contracts. Accordingly, revenue on ongoing contracts was measured on the basis of costs incurred and of margin recognised at the percentage of completion. Margin was recognised only when the visibility of the riskiest stages of the contract was deemed sufficient and when estimates of costs and revenue was considered to be reliable. The percentage of completion was calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones defined for the main deliverables under the contracts or based on the ratio between costs incurred to date and estimated total costs at completion. As soon as the estimate of the final outcome of a contract indicated a loss, a provision was recorded for the entire loss. The gross margin of a long-term contract at completion was based on an analysis of total costs and income at completion, which are reviewed periodically and regularly throughout the life of the contract. A construction contract was considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset or temporary delivery, even if conditional."

**Right to invoice practical expedient** - The right-to-invoice practical expedient can be applied to a performance obligation satisfied over time if we have a right to invoice the customer for an amount that corresponds directly with the value transferred to the customer for our performance completed to date. When this practical expedient is used, we do not estimate variable consideration at the inception of the contract to determine the transaction price or for disclosure purposes. We have contracts which have payment terms dictated by daily or hourly rates where some contracts may have mixed pricing terms which include a fixed fee portion. For contracts in which we charge the customer a fixed rate based on the time or materials spent during the project that correspond to the value transferred to the customer, we recognise revenue in the amount to which we have the right to invoice.

**Contract modifications** - Contracts are often modified to account for changes in contract specifications and requirements. We consider contract modifications to exist when the modification either creates new, or changes the existing, enforceable rights and obligations. Most of our contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

which it relates is recognised as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.”

### (ii) Other Operational Income

Other Operational Income Includes Revenue for Technical services provided and accounted on accrual basis.

### (iii) Dividend income:

Dividend income from investments is recognised when the shareholder's right to receive payment is established by the reporting date.

### (iv) Interest Income

Interest income from financial assets is recognised at the effective interest rate method applicable on initial recognition.

### (v) Other Income

- (a) Claims were accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance.
- (b) Other items of income are accounted as and when the right to receive arises.

## 2.15 Borrowing Costs

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

## 2.16 Employee Benefits

Employee benefits include salaries, wages, provident fund, employee state insurance and gratuity.

### (i) Defined contribution plans

Employer's contribution to the recognized provident fund which is a defined contribution scheme and ESI Contribution as per law are charged to the Profit and Loss account.

### (ii) Defined benefit plans

The Gratuity benefit is funded through a defined benefit plan. For this purpose, the Company has obtained a qualified insurance policy from Life Insurance Corporation of India.

## 2.17 Voluntary Retirement Scheme

Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Statement of Profit and Loss when incurred.

## 2.18 Foreign Exchange Transactions

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Indian Rupees, which is the Company's functional currency and the Group's presentation currency.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise. In case of fixed assets they are adjusted to the carrying cost of such assets.

## 2.19 General Administrative Expenses

General administrative expenses which are directly attributable are allocated to activities and the balance is charged to Statement of Profit and Loss.

## 2.20 Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

### (i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

### (ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to

# Notes to the Standalone Financial Statements for the year ended 31st March 2023

the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

### (iii) Current and deferred tax expense for the year

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## 2.21 Proposed Dividend

The Company has disclosed dividend, proposed by board of directors after the balance sheet date, in the notes, as provision cannot be created for dividend proposed / declared after the balance sheet date, unless a statute requires otherwise.

As per our report of even date

**CA S N Duraiswamy**

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXXQ5909

On behalf of Board of Directors

**For RPP Infra Projects Limited**

**P. Arul Sundaram**

Chairman & Managing Director

DIN: 00125403

**A. Nithya**

Whole Time Director & Chief Financial Officer

DIN: 00125357

**Shammi Praksash**

Company Secretary

M.No: F12231

## 2.22 Extraordinary and exceptional Items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

## 2.23 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## 2.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

## 2.25 Segment reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 3: Property, plant & equipment

(₹ in Crore)

Particulars	Land	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer	Buildings	Motor Vehicle	Heavy Vehicle	Total
<b>Gross carrying amount</b>									
As at 31 March 2021	3.31	57.15	1.22	0.37	1.29	0.71	3.36	27.54	94.94
Additions	0.00	10.29	0.34	0.19	0.48	0.26	3.67	7.83	23.05
Disposals	0.00	1.34	0.01	0.00	0.00	0.04	0.40	2.38	4.18
As at 31 March 2022	3.31	66.10	1.54	0.55	1.77	0.92	6.63	32.99	113.80
Additions	0.00	9.60	0.40	0.06	0.41	0.00	1.92	8.67	21.06
Disposals	1.00	10.38	0.00	0.00	0.00	0.00	0.03	3.01	14.42
As at 31 March 2023	2.31	65.31	1.94	0.61	2.17	0.92	8.52	38.65	120.44
<b>Depreciation and impairment</b>									
As at 31 March 2021	0.00	26.83	0.88	0.18	1.07	0.16	1.87	16.96	47.95
Depreciation charge for the year	0.00	4.72	0.12	0.03	0.19	0.02	0.49	1.73	7.30
Disposals/Adjustments	0.00	0.47	0.00	0.00	0.00	0.02	0.23	2.22	2.95
As at 31 March 2022	0.00	31.07	0.99	0.21	1.26	0.17	2.13	16.46	52.30
Depreciation charge for the year	0.00	4.76	0.17	0.04	0.27	0.02	0.82	3.01	9.10
Disposals/Adjustments	0.00	5.25	0.00	0.00	0.00	0.00	0.02	2.72	7.98
As at 31 March 2023	0.00	30.58	1.17	0.25	1.53	0.19	2.93	16.75	53.41
<b>Net Carrying amount</b>									
At 31 March 2023	2.31	34.73	0.77	0.36	0.64	0.74	5.58	21.90	67.04
At 31 March 2022	3.31	35.03	0.55	0.34	0.50	0.76	4.49	16.53	61.50

### Note 4: Capital Work in Progress

Particulars	Capital Work in Progress	Total
<b>Gross carrying amount</b>		
As at 31 <sup>st</sup> March 2021	4.08	4.08
Purchases	0.50	0.50
Transfer	2.04	2.04
As at 31 <sup>st</sup> March 2022	2.54	2.54
Purchases	0.08	0.08
Transfer	0.49	0.49
As at 31 <sup>st</sup> March 2023	2.13	2.13
<b>Amortisation and impairment</b>		
As at 31 <sup>st</sup> March 2021	0.00	0.00
Amortisation	0.00	0.00
Adjustment	-0.01	-0.01
As at 31 <sup>st</sup> March 2022	0.01	0.01
Amortisation	0.00	0.00
Adjustment	0.00	0.00
As at 31 <sup>st</sup> March 2023	0.01	0.01
<b>Net Carrying Amount</b>		
At 31 <sup>st</sup> March 2023	2.13	2.13
At 31 <sup>st</sup> March 2022	2.53	2.53

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### CWIP aging schedule as on 31.03.2023

(₹ in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.08	0.00	0.00	0.00	0.08
Projects temporarily suspended	0.00	0.00	0.00	2.04	2.04

### CWIP aging schedule as on 31.03.2022

(₹ in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.50	0.00	0.00	0.00	0.50
Projects temporarily suspended	0.00	0.00	0.00	2.03	2.03

### Note 5: Intangible Assets

(₹. In crores)

Particulars	ERP Software	Website Development	Intangible asset under Development	Total
<b>Gross carrying amount</b>				
<b>As at 31<sup>st</sup> March 2020</b>	<b>0.53</b>	<b>0.00</b>	<b>0.00</b>	<b>0.53</b>
Purchases	0.01	0.00	0.00	0.01
Transfer	0.23	0.00	0.00	0.23
<b>As at 31<sup>st</sup> March 2021</b>	<b>0.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.30</b>
Purchases	0.00	0.00	0.00	0.00
Transfer	0.01	0.00	0.00	0.01
<b>As at 31<sup>st</sup> March 2022</b>	<b>0.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.30</b>
Purchases	0.15	0.00	0.00	0.15
Transfer	0.08	0.00	0.00	0.08
<b>As at 31<sup>st</sup> March 2023</b>	<b>0.36</b>	<b>0.00</b>	<b>0.00</b>	<b>0.36</b>
<b>Amortisation and impairment</b>				
<b>As at 31<sup>st</sup> March 2021</b>	<b>0.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>
Amortisation	0.00	0.00	0.00	0.00
Adjustment	0.00	0.00	0.00	0.00
<b>As at 31<sup>st</sup> March 2022</b>	<b>0.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>
Amortisation	0.01	0.00	0.00	0.01
Adjustment	0.01	0.00	0.00	0.01
<b>As at 31<sup>st</sup> March 2023</b>	<b>0.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>
<b>Net Carrying Amount</b>				
<b>At 31<sup>st</sup> March 2023</b>	0.07	0.00	0.00	0.07
<b>At 31<sup>st</sup> March 2022</b>	0.01	0.00	0.00	0.01



# Notes to the Standalone Financial Statements for the year ended 31st March 2023

## Note 6: Investments -Non- Current

(₹ in Crore)

Particulars	31st March 2023	31st March 2022
<b>Non Trade Investments (6A.1)</b>		
Investment in Equity Instruments (Non Trade Investments)	0.11	0.11
<b>Trade Investments (6A.2)</b>		
Investment in Equity Instruments (Trade Investments)	7.03	7.03
<b>Total investments</b>	<b>7.14</b>	<b>7.14</b>

### Note 6A.1: Non Trade Investments

(₹ In INR)

Name of the Body Corporate	Classification	Quoted/ Unquoted	Partly Paid / Fully paid	No. of Shares / Units		Extent of Holding (%)		(₹ Crore)	
				31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
3i Infotech Limited(Face Value @ ₹ 10 per share)	Others	Quoted	Fully Paid	1000.00	1000.00	0.00%	0.00%	0.00	0.00
Hindustan Construction Company Limited(Face Value @ ₹ 1 per share)	Others	Quoted	Fully Paid	9000.00	9000.00	0.01%	0.01%	0.00	0.00
IVRCL Infrastructure & Projects Limited(Face Value @ ₹ 2 per share)	Others	Quoted	Fully Paid	900.00	900.00	0.00%	0.00%	0.00	0.00
Sakthi Sugars Ltd(Face Value @ ₹ 10 per share)	Others	Quoted	Fully Paid	500.00	500.00	0.00%	0.00%	0.00	0.00
MEP Infra Developers (Face Value @ ₹ 10 per share)	Others	Quoted	Fully Paid	10000.00	10000.00	0.00%	0.00%	0.00	0.00
Other Comprehensive Income								0.06	0.06
SPAC Terminal Market Complex Ltd.(Face value @ ₹ 1 Per Share and Previous Face Value per Share @ ₹ 10 per share)	Others	Unquoted	Fully Paid	299000.00	299000.00	6.89%	6.89%	0.03	0.03
Narayana City Bus Operations PVt Ltd(Face Value @ ₹ 100 per share)	Others	Unquoted	Fully Paid	20000.00	20000.00	0.00%	0.00%	0.02	0.02
<b>Total Non Trade Investments</b>								<b>0.11</b>	<b>0.11</b>

### Note 6A.2: Trade Investments

(₹ In INR)

Name of the Body Corporate	Classification	Quoted/ Unquoted	Partly Paid / Fully paid	No. of Shares / Units		Extent of Holding (%)		(₹ Crore)	
				31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
RPP Infra Oversea PLC(Face value @ ₹ 10 Per Share)		Unquoted	Fully Paid	4980.00	4980.00	100%	100%	0.02	0.02
RPP Infra Projects (Lanka) Ltd.(Face value @ ₹ 10 Per Share)		Unquoted	Fully Paid	116143.00	116143.00	100%	100%	0.05	0.05
Greatful Mercantile Pvt. Ltd.(Face value @ ₹ 10 Per Share)		Unquoted	Fully Paid	211500.00	211500.00	100%	100%	3.55	3.55
Sanskar Dealcom Pvt Ltd.(Face value @ ₹ 10 Per Share)		Unquoted	Fully Paid	209930.00	209930.00	100%	100%	3.40	3.40
RPP Annai JV (Face value @ ₹ 10 Per Share)	Partly Owned Subsidiary	Unquoted	Fully Paid	5000.00	5000.00	51%	51%	0.01	0.01
<b>Total Trade Investments</b>								<b>7.03</b>	<b>7.03</b>
<b>Total investments</b>								<b>7.14</b>	<b>7.14</b>
Aggregate Carrying value of Quoted investments								0.00	0.00
Aggregate Carrying value of UnQuoted investments								7.08	7.08
Aggregate Market Value of Quoted Investments								0.00	0.00

# Notes to the Standalone Financial Statements for the year ended 31st March 2023

## Note 6A.3: Subsidiaries

(₹ In INR)

Name of the Subsidiary	Classification	Quoted/ Unquoted	Partly Paid / Fully paid	No. of Shares / Units		Extent of Holding (%)		(₹ Crore)	
				31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
RPP Infra Overseas PLC (Face value @ ₹ 10 Per Share)		Unquoted	Fully Paid	4980.00	4980.00	100%	100%	0.02	0.02
RPP Infra Projects (Lanka) Ltd. (Face value @ ₹ 10 Per Share)		Unquoted	Fully Paid	116143.00	116143.00	100%	100%	0.05	0.05
Greatful Mercantile Pvt. Ltd. (Face value @ ₹ 10 Per Share)		Unquoted	Fully Paid	211500.00	211500.00	100%	100%	3.55	3.55
Sanskar Dealcom Pvt Ltd. (Face value @ ₹ 10 Per Share)		Unquoted	Fully Paid	209930.00	209930.00	100%	100%	3.40	3.40
RPP Annai JV (Face value @ ₹ 10 Per Share)	Partly Owned Subsidiary	Unquoted	Fully Paid	5000.00	5000.00	51%	51%	0.01	0.01
<b>Total Trade Investments</b>								<b>7.03</b>	<b>7.03</b>

## Note 7: Long term Loans & Advances

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Advance to Suppliers	2.14	2.14
<b>Total</b>	<b>2.14</b>	<b>2.14</b>

## Note 8: Other Financial Assets

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Bank deposits with more than 12 months maturity</b>		
Earmarked Balances	71.44	53.60
<b>Total</b>	<b>71.44</b>	<b>53.60</b>

## Note 9: Deferred Tax Asset / Liability

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred Tax Asset/Liability	1.64	0.67
<b>Total</b>	<b>1.64</b>	<b>0.67</b>

## Note 10: Other Non-Current Assets

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Other Advances</b>		
Prepaid Expense	3.26	4.63
<b>Total</b>	<b>3.26</b>	<b>4.63</b>

## Note 11: Inventories

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Raw materials- Construction Materials	16.47	18.30
<b>Total inventories at the lower of cost or net realisable value</b>	<b>16.47</b>	<b>18.30</b>





## Notes to the Standalone Financial Statements for the year ended 31st March 2023

Inventory is not pledged as security

### Note 12: Trade receivables

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Unsecured considered good	169.23	207.30
<b>Total Trade receivables</b>	<b>169.23</b>	<b>207.30</b>

#### Trade Receivables ageing schedule as on 31.03.2023

Particulars	(₹ in Crore)					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	103.74	21.02	0.85	2.17	24.33	152.11
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables – considered good					17.12	17.12
(v) Disputed Trade Receivables – which have significant increase in credit risk						

#### Trade Receivables ageing schedule as on 31.03.2022

Particulars	(₹ in Crore)					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	140.64	10.92	15.81	10.41	12.41	190.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables – considered good					17.12	17.12
(v) Disputed Trade Receivables – which have significant increase in credit risk						

#### Note: 12.1

There are arbitration proceedings going on in respect of the following departments - Rites, Sipcot, Ntecl and MSEZ towards which sums ₹ 2.13 Crores, ₹ 0.75 Crores, ₹ 27.30 and ₹ 2.80 Crores respectively are shown as receivables. The company has filed the necessary papers with the arbitrators and the above receivables are considered good for recovery. Third Party balances are subject to external confirmations.

### Note 13: Cash and cash equivalent

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
<b>Balances with banks:</b>		
– On current accounts	36.93	40.75
Cash on hand	0.45	0.77
<b>Total</b>	<b>37.38</b>	<b>41.52</b>

# Notes to the Standalone Financial Statements for the year ended 31st March 2023

## Note 14: Short Term Loans and Advances

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good:		
Advance to employees	0.21	0.25
Advance to sub-contractors	-1.32	8.04
Balance with Subsidiaries	39.02	0.30
Non-Trade Receivable	13.52	13.52
Others (Refer Note 12.1)	1.89	1.95
<b>Total</b>	<b>53.32</b>	<b>24.07</b>

## Note 15: Other Financial Assets

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Others</b>		
Contract Asset	92.66	142.49
<b>Total</b>	<b>92.66</b>	<b>142.49</b>

**Note:** Classified as non financial asset as the contractual rights to consideration is dependent on completion of contractual milestone.

## Note 16: Other Current Assets

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Other Advances</b>		
Retention by customers (Refer Note 12.1)	172.38	126.61
Mobilisation Advances / Other Projects Receivables	12.41	14.05
Balances with statutory / government authorities	11.27	16.70
<b>Total</b>	<b>196.06</b>	<b>157.37</b>

## Note 26: Current Tax Assets (Net)

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for Income Tax (Net of Advance income tax)	16.57	16.03
<b>Total</b>	<b>16.57</b>	<b>16.03</b>

## Note 17: Share Capital

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Authorised Share Capital</b>		
50,000,000 (March 31, 2023: 50,000,000) equity shares of ₹ 10/-	500000000	500000000
<b>Share Capital</b>		
<b>Issued and Subscribed Capital</b>		
38,180,584 (March 31, 2023: 37,880,584) equity shares of ₹ 10/- each fully paid up	381805840	378805840
<b>Issued and Fully Paid up equity capital</b>		
37,459,364 (March 31, 2023: 37,459,364) equity shares of ₹ 10/- each fully paid up	374593640	366863000
<b>Issued and Partly Paid up equity capital</b>		
7,21,220 (March 31, 2023: 37,459,364) equity shares of ₹ 10/- each fully paid up	7212200	11942840



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 17.1: Reconciliation of the number of shares outstanding

(₹ in Crore)

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Reconciliation of No. of shares</b>				
<b>Outstanding at the beginning of the year</b>	3,66,86,300	36,68,63,000	2,36,50,584	23,65,05,840
Add: Shares issued during the year	7,73,064	77,30,640	1,30,35,716	13,03,57,160
<b>Outstanding at the end of the year</b>	<b>3,74,59,364</b>	<b>37,45,93,640</b>	<b>3,66,86,300</b>	<b>36,68,63,000</b>

### Note 17.2: Terms / rights attached to equity shares

The company has only one class of equity share having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. the distribution will be in proportion to the number of equity shares held by shareholders.

### Note 17.3: Details of shares held by subsidiaries of ultimate holding company / holding and / or their subsidiaries / associates

(₹ in Crore)

Name of equity share holders	As at 31st March 2023		As at 31st March 2022	
	No. of shares	% Holding	No. of shares	% Holding
RPP Infra Projects (Lanka) Limited	1,16,143.00	100.00%	1,16,143.00	100.00%
RPP Infra Over Seas PLC	4,980.00	100.00%	4,980.00	100.00%
Sanskar Dealcom Private Limited	2,09,930.00	100.00%	2,09,930.00	100.00%
Greatful Mercantile Private Limited	2,11,500.00	100.00%	2,11,500.00	100.00%
Lunkar Finance Private Limited (Subsidiary - Stepdown)	4,21,430.00	100.00%	4,21,430.00	100.00%
RPP Annai (JV) Private Limited	5,100.00	51.00%	5,100.00	51.00%

### Note 17.4: Details of shareholders holding more than 5% shares in the Company are as under:-

(₹ in Crore)

Name of equity share holders	As at 31st March 2023		As at 31st March 2022	
	No. of shares	% Holding	No. of shares	% Holding
Mr P. Arulsundaram	11629509.00	60.17%	11629509.00	60.17%
Mrs A. Nithya	7699837.00	39.83%	7699837.00	39.83%
<b>Total</b>	<b>1,93,29,346.00</b>	<b>100.00%</b>	<b>1,93,29,346.00</b>	<b>100%</b>

### Note 17.5: Details of Promoters shares in the Company are as under:-

(₹ in Crore)

Name of equity share holders	As at 31st March 2023		As at 31st March 2022	
	No. of shares	% Holding	No. of shares	% Holding
Mr P. Arulsundaram	11629509.00	60.17%	11629509.00	60.17%
Mrs A. Nithya	7699837.00	39.83%	7699837.00	39.83%
<b>Total</b>	<b>1,93,29,346.00</b>	<b>100.00%</b>	<b>1,93,29,346.00</b>	<b>100%</b>

### Note 17.5: Proposed dividends on Equity shares:

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
The board proposed dividend on equity shares after the balance sheet date Proposed dividend on equity shares for the year ended 31 <sup>st</sup> March, 2023: NIL	0.00	0.00
Tax on proposed dividend	0.00	0.00

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 18: Other equity

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Securities premium account	85.95	74.12
Revaluation reserve	1.69	2.38
Retained Earnings	209.55	195.63
Other Reserve (Share Warrant Forfeiture)	6.64	6.64
Share Application Money	1.30	2.15
<b>Total</b>	<b>305.13</b>	<b>280.92</b>

#### Note 18.1: Securities premium account

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at beginning of year	74.12	48.05
Add / Less: Movements	11.82	26.07
<b>Balance at end of year</b>	<b>85.95</b>	<b>74.12</b>

#### Note 18.2: Revaluation reserve

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at beginning of year	2.38	2.38
Add / Less: Movements	(0.69)	0.00
<b>Balance at end of year</b>	<b>1.69</b>	<b>2.38</b>

#### Note 18.3: Retained Earnings

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at beginning of year	195.63	187.08
Add / Less: Movements	13.92	8.55
<b>Balance at end of year</b>	<b>209.55</b>	<b>195.63</b>

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.

#### Note 18.4: Share Warrant

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Share Warrant	2.88	0.00
<b>Total</b>	<b>2.88</b>	<b>0.00</b>



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 18.5: Other Reserve (Share Warrant Forfeiture)

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Balance at beginning of year	6.64	0.00
Add / Less: Movements		6.64
<b>Total</b>	<b>6.64</b>	<b>6.64</b>

### Note 18.6: Share Application Money

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Balance at beginning of year	2.15	0.00
Add / Less: Movements	(0.85)	2.15
<b>Total</b>	<b>1.30</b>	<b>2.15</b>

Company has obtained approval of the shareholders for 40,00,000@90 allotment of warrant at the General Meeting held on 12<sup>th</sup> June 2020. Fund Received from Promoter being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018. Companies was obtained "In-Principle Approval" under the Regulation 28(1) of SEBI (LODR) Regulation, 2015 granted by the BSE Limited vide its letter reference no. DCS/PREF/BA/PRE/697/2020-21 dated 13th July 2020 and National Stock Exchange of India Limited vide its letter reference no. NSE/LIST/24057 dated 8<sup>th</sup> July 2020. Accordingly, dated 14.07.2020 Share Allotment Committee approved allotment of 40,00,000 warrants convertible into Equity Shares of ₹ 10 each to the promoters on preferential basis at an issue price of the ₹ 90 per warrants on receipt of the amount of ₹ 9 Crores (Rupees Nine Crores Only) being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018.

Further dated 04.03.2021 Share Allotment Committee of the Board of Directors of the Company held on 4<sup>th</sup> March 2021 was allotted 10,50,000 [Ten Lakhs Fifty Thousand] Fully Paid-up Equity Shares of = 10/- each ["said shares"] on conversion of 10,50,000 Warrants on receipt of the full consideration towards these warrants and exercise of option of conversion. The allotted shares ranks pari passu with the existing Equity Shares of the Company in all respects including dividend.

However, on 16 December 2021, we received notice from Warrant holders, informing us about their intention to not to exercise their right for conversion of the remaining Warrants.

Accordingly, pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the said Warrant holders have failed to exercise their rights to acquire the Equity Shares underlying the said Warrants. As a result the remaining Warrants i.e., 29,50,000 Warrants, stand cancelled/lapsed and the consideration of ₹ 06.637 crores (25% of consideration) received by the Company from the Warrant holders, towards allotment of said Warrants, is forfeited in accordance with the terms of the said Warrants and the provisions of the SEBI ICDR Regulations, 2018, and the same was approved by the Share Allotment Committee of the Board of Directors of RPP Infra projects Limited at its meeting held on 17/12/2021.

SHARE WARRANT:	Units	Amount Received	Share Capital	Securities Premium
Number of Warrant Issued	4000000.00	160876000.00	0.00	0.00
Warrants Converted into Shares	1050000.00	94500000.00	10500000.00	84000000.00
Warrants Forfeited	2950000.00	66376000.00	0.00	0.00
<b>Warrants Forfeited</b>	<b>2950000.00</b>			
<b>Amount Forfeited</b>		<b>66376000.00</b>		

RIGHT ISSUE:	Units	Amount Received	Share Capital	Securities Premium
Shares Issued	16000000.00			
Shares Subscribed	14230000.00			
Share Application Money Received		256140000.00	85380000.00	170760000.00
First & Final call Received		162105360.00	54035120.00	108070240.00
<b>Fully Paid up Shares</b>	<b>13508780.00</b>		<b>135087800.00</b>	<b>270175600.00</b>
<b>Partly Paid up Shares</b>	<b>721220.00</b>		<b>4327320.00</b>	<b>8654640.00</b>

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

ISSUE OF UPTO 1,60,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (RIGHTS EQUITY SHARES) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 30 PER EQUITY SHARE (ISSUE PRICE), AGGREGATING UPTO ₹ 48,00,00,000 (RUPEES 48.00 CRORES) (ASSUMING FULL SUBSCRIPTION) ON A RIGHTS BASIS

- (I) TO THE EXISTING ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 3 RIGHTS EQUITY SHARES FOR EVERY 5 FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON SEPTEMBER 20, 2021;
- (II) TO THE RESERVED PORTION IN FAVOUR OF THE WARRANT HOLDERS

On Application, Investors paid ₹ 18 per Rights Equity Share (Face Value of ₹ 6 and Premium of ₹ 12) which constitutes 60% of the Issue Price and the balance ₹ 12 per Rights Equity Share (Face Value of ₹ 4 and Premium of ₹ 8) which constitutes 40% of the Issue Price was paid on First and Final Call, as determined by our Board at its sole discretion, from time to time.

Out of 1,60,00,000 shares issued, 1,42,30,000 shares had been subscribed, through which we have received ₹ 25.61 Crores.

Out of 1,42,30,000 shares subscribed through payment of Application money, We have received the First and Final call money towards 1,35,08,780 shares, amounting to ₹ 16.21 Crores

First & Final Call Money (Share Capital - ₹ 4 & Securities Premium - ₹ 8) with respect to 7,21,220 partly paid up shares are still in progress as on date.

There is a difference in the Paid Up share Capital between Books of Accounts and MCA Portal. We have initiated the process of rectification in the MCA Portal

### PREFERENTIAL ISSUE

Company has obtained approval of the shareholders for 1,15,00,000@44.25 allotment of warrant and 300000 Equity share at an issue price of ₹ 44.25 (including premium ₹ 34.25) per share at the Extra ordinary General Meeting held on 01<sup>st</sup> February 2023. Company will received full amount from non-promoters at the time of allotment of 300000 equity shares and 25% of warrant price received at the time of allotment of 1,15,00,000 and remaining amount received at the time of conversion within 18 Months from date of allotment in accordance with the SEBI (ICDR) Regulation, 2018. Companies was obtained "In-Principle Approval" under the Regulation 28(1) of SEBI (LODR) Regulation, 2015 granted by the BSE Limited vide its letter reference no. DCS/PREF/CP/FIP/3139/2022-23 dated 20th February 2023 and National Stock Exchange of India Limited vide its letter reference no. NSE/LIST/34030 dated 20th February 2023.

Preferential Issue	Unit	Amount Received	Share Capital	Securities Premium
Shares Issued	300000.00			
Number of Warrant Issued	11500000.00			
Share Capital Received		13275000.00	3000000.00	10275000
25% of Waarants Received		127218750.00		98468750

### Equity Share

Allotment Committee meeting held on 06 March 2023 approved allotment of 3,00,000 Equity Shares of Rs. 10 each to the non-promoters on preferential basis at an issue price of the Rs. 44.25 per Shares including premium on receipt of the full consideration amount of Rs. 13275000.

### Warrant

Allotment Committee meeting held on 06 March 2023 approved allotment of 115,00,000 warrants convertible into Equity Shares of Rs. 10 each to the non promoters on preferential basis at an issue price of the Rs. 44.25 per warrants on receipt of the amount of Rs 12.72 Crores (Rupees Twelve Crores and Seventy two Only) being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018.

### Note 19: Borrowings- Non current

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
<b>Secured</b>		
<b>Term Loans</b>		
From Banks (Secured)	34.53	35.26
From NBFC (Secured)	12.81	9.51



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Unsecured</b>		
<b>Term Loans</b>		
From Banks (Unsecured)	0.00	0.00
From NBFC (Unsecured)	14.15	18.25
<b>Total</b>	<b>61.49</b>	<b>63.02</b>
Less: Current Maturities of Long Term Debt	29.64	20.74
<b>Total</b>	<b>31.85</b>	<b>42.28</b>

### Note 19.1: Nature of Security

Particulars	Loan outstanding	Security	Repayment terms
<b>From Banks</b>			
Secured Loan with Various Banks and Interest @ 8.85%	34.53	Promoters Share	Every Month
<b>From NBFC's</b>			
Term Loan with Non Banking Financial institutions and Interest @ 9.29%	12.81	Promoters Shares	Every Month
Unsecured Loan with Non Banking Financial institutions and Interest @ 11%	14.15	Promoters Shares	Renewal Every Year

Note: Personal Guarantee has been provided by the Directors for all the Loans Sanctioned

### Net debt reconciliation

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Cash and cash equivalents	37.38	41.52
Liquid investments	0.00	0.00
Non Current borrowings including interest	31.85	42.28
Current Borrowings	47.58	62.04
<b>Net (debt)/ Cash &amp; Cash Equivalents</b>	<b>42.06</b>	<b>62.81</b>

Particulars	Other Assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid Investments	Non-current borrowings	Current borrowings	
<b>(Net debt)/ Cash &amp; Cash Equivalents as at 31<sup>st</sup> March 2021</b>	<b>106.98</b>	<b>0.00</b>	<b>68.37</b>	<b>54.62</b>	<b>16.01</b>
Cash Flows(Note)	-51.48		-26.10	7.43	32.82
Interest expense					
Interest paid	-13.98				13.98
<b>(Net debt)/ Cash &amp; Cash Equivalents as at 31<sup>st</sup> March 2022</b>	<b>41.52</b>	<b>0.00</b>	<b>42.28</b>	<b>62.05</b>	<b>62.81</b>
Cash Flows(Note)	9.19		-10.43	-14.46	-34.09
Interest expense					
Interest paid	-13.34				13.34
<b>(Net debt)/ Cash &amp; Cash Equivalents as at 31<sup>st</sup> March 2023</b>	<b>37.38</b>	<b>0.00</b>	<b>31.85</b>	<b>47.58</b>	<b>42.06</b>

# Notes to the Standalone Financial Statements for the year ended 31st March 2023

## Note 20: Provisions- Long term

(₹ in Crore)

Particulars	As at	As at
	31st March 2023	31st March 2022
Gratuity	1.63	0.35
<b>Total</b>	<b>1.63</b>	<b>0.35</b>

## Note 21: Borrowings- Current

(₹ in Crore)

Particulars	As at	As at
	31st March 2023	31st March 2022
<b>Secured</b>		
Loans repayable on Demand from banks (Refer 21.1)	17.95	41.30
Loans repayable within one year from banks	0.00	0.00
Current maturities of Long Term Secured Debt	19.60	12.97
Current maturities of Long Term Unsecured Debt	10.04	7.78
<b>Total</b>	<b>47.58</b>	<b>62.04</b>

Note: Personal Guarantee has been provided by the Directors for all the Loans Sanctioned

### Note 21.1: Nature of Security

Particulars	Loan outstanding	Security	Repayment terms
<b>From Banks</b>			
Working Capital with Various Banks and Interest @ 11.50%	17.95	Personal Security of Vacant land, Building, Factory building, Vacant House, Residential Building @ various places Land & building, vacant land @ various places Immovable Land and Building property @ Giundy Taluk Personal Guarantee Value of Property	Renewal Every Year
<b>From NBFC's</b>			
Working Capital with Non Banking Financial institutions and Interest @ 11.50%		Personal Guarantee	Renewal Every Year

### Note 21.2: Fund Based Limit Enjoyed by the Company

(₹ in Crore)

Name of Lending institutions	Type of Loan	Sanctioned Limit	Utilised	
			As at 31st March 2023	As at 31st March 2022
Indian Overseas Bank, Surampatti Branch, Erode	Cash Credit	35.00	17.85	30.87
Bank of India - Coimbatore	Cash Credit	8.00	0.09	6.05
Indian Bank, Chennai	Cash Credit	7.00	0.01	4.83
Canara Bank, Erode	Cash Credit	3.00	0.00	-0.45
Exim Bank, Chennai	Cash Credit	2.50	0.00	0.00
<b>Total</b>		<b>55.50</b>	<b>17.95</b>	<b>41.30</b>

Note: on the basis of Sanctioned Letter, our company have complied with all the requirements asked from the lending Institutions which includes monthly stock and debtor statement and QIS, QOS and HOS and which resembles the Accounts.

Our company is not declared as wilful defaulter by any bank or financial Institution or other lender.

Our company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Our company has taken funds from the Indian Bank and Canara Bank on account of or to meet the obligations of Joint Ventures (RPP Renaatus JV and RPP Dhanya JV) respectively.





## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 22: Trade Payable

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Dues to Micro Enterprises and Small Enterprises (Ref. Note 41)"	0.00	0.00
(b) total outstanding dues of creditors other than micro enterprises & small enterprises	96.10	114.66
<b>Total</b>	<b>96.10</b>	<b>114.66</b>

#### Trade Payables aging schedule as of 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
(ii) Others					
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

#### Trade Payables aging schedule as of 31.03.2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
(ii) Others					
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

### Note 23: Other Financial Liabilities - Current

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Mobilisation Advances / Other Projects Payables	41.99	112.01
Due to directors	0.07	0.11
Expenses payable	10.59	6.62
Balance with Subsidiaries	37.85	0.00
Unpaid dividend	0.03	0.03
Retention money - others	69.21	56.36
<b>Total</b>	<b>159.74</b>	<b>175.13</b>

### Note 24: Other Current Liabilities

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory dues payable	18.41	9.35
Other payables	28.76	12.88
Advances from customers	0.07	0.07
<b>Total</b>	<b>47.25</b>	<b>22.30</b>

Note: TDS on expenses is made on and when incurred. TDS is not reckoned for the sum stated as provision for expenses. The unclaimed dividend amount of ₹7755/- pertaining to the year 2014-15 is not yet transferred to Investor Education and Protection Fund, due to the banking error which is being addressed by us along with the bank officials.

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 25: Provisions-Short term

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Gratuity.	0.21	0.09
Provision for Warranty	2.41	2.41
<b>Total</b>	<b>2.62</b>	<b>2.49</b>

### Note 26: Current Tax Liabilities (Net)

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for Income Tax (Net of Advance income tax)	1.01	1.13
<b>Total</b>	<b>1.01</b>	<b>1.13</b>

### Note 27: Revenue from Operations:

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Contract Revenue	1005.25	779.82
<b>Total</b>	<b>1005.25</b>	<b>779.82</b>

### Note 28: Other Income

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Hire charges Received	2.27	2.46
Discount Received	1.19	0.27
Dividend Received	0.00	0.00
Interest Income	6.28	4.11
Miscellaneous Income	0.96	3.66
Prior Period Income	0.00	0.00
Scrap Sales	0.03	0.19
Other sales - Empty Bags	0.00	0.00
Consulting Services & Service Charges	1.03	1.11
Forex Gain (Net)	2.18	1.35
Royalty Received	3.50	0.86
<b>Total</b>	<b>22.13</b>	<b>14.19</b>

Note: The amount of interest income on FD's with banks has been estimated on the basis of the rate of interest applicable, the amount of deposit and the period for which the deposit has run.

### Note 29: Cost of Material Consumed

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Inventory at the Beginning of the Period	18.30	10.91
Add: Purchases during the period	319.22	193.75
Less: Inventory at the end of the Period	16.47	18.30
<b>Total</b>	<b>321.06</b>	<b>186.35</b>



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 30: Direct Cost

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Works Contract Cost	390.51	426.93
Other Operating Cost	156.98	84.41
<b>Total</b>	<b>547.49</b>	<b>511.34</b>

#### Note: Joint Venture Agreement

The Company has an unincorporated JV with the Party Ramalingam Construction Company Pvt Ltd with whom a project was jointly bid and obtained. However, the execution was fully done by the company. Company has agreed to pay 2% of Turnover of this project as Royalty to the Partner and this amount has been charged off to the Statement of Profit & Loss.

### Note 31: Employee benefits expense

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Salary Expenses	26.79	16.05
Company's Contribution to Employees' Provident Fund	0.31	0.32
Company's Contribution to Employees' State Insurance Corporation	0.02	0.03
Gratuity	0.04	0.02
Staff Welfare	3.93	1.89
<b>Total</b>	<b>31.09</b>	<b>18.32</b>

### Note 32: Finance Cost

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
<b>Interest expenses</b>		
On Term Loans and Other Loans	7.48	7.20
On Working Capital Loans	4.90	5.33
<b>Other borrowing costs</b>		
Bank Charges and Bank Guarantee Commission	0.00	0.00
Processing Charges Paid	0.95	1.45
<b>Total</b>	<b>13.34</b>	<b>13.98</b>

### Note 33: Depreciation and Amortisation Expenses

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Depreciation of tangible fixed assets	9.10	7.97
<b>Total</b>	<b>9.10</b>	<b>7.97</b>

### Note 34: Other expense

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Advertisement	0.03	0.02
Business Development Expenses	0.64	0.21
Brokerage	0.00	0.00
Donation	0.23	0.04
Consulting Fees Paid	1.29	1.66

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Miscellaneous Expense	0.50	0.44
Corporate Social Responsibilities	0.51	0.79
Equipment Hire Charges	0.61	0.53
Insurance	1.58	1.84
Repairs & Maintenance - Machinery	5.72	3.47
Repairs & Maintenance - Office	0.32	0.48
Repairs & Maintenance - Others	35.41	18.51
Postage & Telegraph	0.05	0.04
Professional Charges	3.93	1.26
Books & Periodicals	0.00	0.00
Loss On Sale of Assets	1.37	0.00
Legal Fees Paid	0.23	0.38
Printing and Stationery	0.48	0.34
Rent & Electricity	1.18	1.25
Audit Fee		
- Statutory Audit	0.15	0.27
- Other services	0.14	0.17
Bad Debts	0.05	0.00
Deposit Write Off	0.00	0.00
Secretarial Expenses	0.13	0.28
Rates & Taxes	0.04	0.13
Loss On Sale of Investment	0.00	0.00
Changes in CWIP	0.00	0.00
Telephone Expenses	0.11	0.07
Travelling Expenses	1.52	0.97
Interest		
On Statutory Dues	1.61	0.77
Registration and Renewals	0.42	0.25
Royalty Paid	3.56	1.16
Security Service Charges	0.56	0.07
Forex Loss (Net)	0.00	0.00
Other Expenses	0.05	0.00
Packing & Forwarding Charges	0.03	0.02
Warranty Provision	0.00	0.00
Bank Charges and Bank Guarantee Commission	4.12	6.45
<b>Total</b>	<b>66.55</b>	<b>41.86</b>

### Note 35: Income Tax Expense

(₹ in Crore)

Particulars	As at 31st March 2023	As at 31st March 2022
Current Tax	11.80	5.17
Deferred tax	0.97	0.66
<b>Total</b>	<b>12.76</b>	<b>5.83</b>



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 36: Other Comprehensive Income

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Current tax		
Deferred tax		
A (i) Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	1.41	0.09
Net change in fair values of investments in equity shares carried at fair value through OCI		
(ii) Income tax relating to items that will not be reclassified to profit or loss		
B (i) Items that will be reclassified to profit or loss		
(ii) Income tax relating to items that will be reclassified to profit or loss		
Other Comprehensive Income for the period / year, net of tax		
<b>Total</b>	<b>1.41</b>	<b>0.09</b>

### Note 37: The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
<b>Profit before tax</b>	38.76	14.19
Income tax expense	9.75	3.57
<b>Less: Exemption/Deductions</b>		
Others		
<b>Add: Effect of expenses that are not deductible in determining taxable profit</b>		
Expenses not allowed in income tax	1.25	1.36
Tax Effects due to difference in treatment of expenses between acts	0.97	0.66
Others	0.79	0.24
<b>Total</b>	<b>12.76</b>	<b>5.83</b>
Adjustments recognised in the current year in relation to the current tax of prior years	0.00	0.00
Income tax expense recognised In Statement of Profit & Loss (reating to continuing operations)	12.76	5.83

Income tax recognised in other comprehensive income	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
Deferred tax	0.00	0.00
Arising on income and expenses recognised in other comprehensive income	0.00	0.00
Net fair value gain on investments in equity shares at FVTOCI	0.00	0.00
Remeasurement of defined benefit obligation	1.41	0.09
Total income tax recognised in other comprehensive income	0.00	0.00
Bifurcation of the income tax recognised in other comprehensive income into:	0.00	0.00
Items that will not be reclassified to profit or loss	1.41	0.09
Items that may be reclassified to profit or loss	0.00	0.00

### Note 38: Earnings per share (EPS)

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
<b>Basic EPS</b>		
Profit attributable to equity holders	25.99	8.36
Weighted average number of Equity shares for EPS	32411487.86	31638423.86

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

<b>EPS (₹ per share)</b>		
Basic	8.02	2.64
Profit attributable to equity holders	25.99	8.36
Weighted average number of Equity shares including Potential Equity shares for EPS	32409282.88	31686218.88
<b>EPS (₹ per share)</b>		
Diluted	8.02	2.64
Nominal Value of Shares (₹ per share)	10.00	10.00

### Note 39: Gratuity & other post employment benefit plans

#### Defined Contribution Plan

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Insurance Company in the form of a qualifying Insurance Policy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. Generally equity instruments should not exceed 15% of total portfolio. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The plan assets include significant investment in Debt Fund, hence, the Company is not exposed to any market risk.

The following table summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet.

#### Changes in Present Value of Obligations

Particulars	(₹ in Crore)	
	2022-23	2021-22
Present Value of Obligation as at the beginning of the year	0.57	0.57
Interest Cost	0.04	0.04
Current Service Cost	0.53	0.12
Benefits paid	0.00	(0.06)
Past Service Cost	0.00	0.00
Actual(Gain)/ Loss on Obligations*	0.70	(0.10)
Present Value of Obligations at the end of the year	1.84	0.57

#### Changes in Fair Value of Planned Assets

Particulars	(₹ in Crore)	
	2022-23	2021-22
Fair Value of Plan Assets at the beginning of the year	0.20	0.23
Investment Income	0.01	0.02
Contributions	0.00	0.00
Benefits Paid	0.00	(0.06)
Employers Contribution	0.04	0.01
Return on plan assets, excluding amount recognised in net interest expense	0.00	0.00
Actual(Gain)/ Loss on Plan Asset*	0.00	0.00
Fair Value of Plan Assets at the end of the year	0.25	0.20

Particulars	(₹ in Crore)	
	2022-23	2021-22
Fair Value of Plan Assets at the beginning of the year	0.32	0.29
Actual Return on Plan Assets	0.01	0.02
Employer's Contribution	0.04	0.01
Fair Value of Plan Assets at the end of the year	0.37	0.32



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Amount recognised in balance sheet

Particulars	(₹ in Crore)	
	2022-23	2021-22
Present value of projected benefit obligation at the end of the year	1.84	0.57
Fair value of plan assets at the end of year	0.37	0.32
Funded status amount of liability recognised in balance sheet	1.47	0.27

### Expenses Recognised in the Profit & Loss Account

Particulars	(₹ in Crore)	
	2022-23	2021-22
Current Service Cost	0.53	0.12
Past Service Cost	0.00	0.00
Interest Cost	0.03	0.02
Expected Return on Plan Assets	0.00	0.00
Net Actuarial(Gain)/ Loss Recognised In the period	0.00	0.00
Expenses Recognised in Statement of Profit and Loss	0.56	0.14

### Other Comprehensive Income

Particulars	(₹ in Crore)	
	2022-23	2021-22
Actuarial (gains) / losses		
- change in demographic assumptions	0.00	0.00
- change in financial assumptions	(0.04)	(0.04)
- experience variance (i.e. Actual experience vs assumptions)	0.73	(0.06)
- others	0.00	0.00
Return on plan assets, excluding amount recognised in net interest expenses	0.00	0.00
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	0.00	0.00
Components of defined benefit costs recognised in other comprehensive income	0.00	0.00

### Summary of actuarial assumptions

Particulars		
	2022-23	2021-22
Discount rate	7.45%	7.30%
Salary growth rate	5.00%	5.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

### Demographic Assumption

Particulars		
	2022-23	2021-22
Mortality rate (% of IALM 12-14)	1.00	1.00
Normal retirement age	58 Years	58 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	10.00%	10.00%
31-44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

### Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	2022-23		2021-22	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)		1.84		0.57

(₹ in Crore)

Particulars	2022-23		2021-22	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	2.10	1.64	0.66	0.51
(% change compared to base due to sensitivity)	13.80%	-11.30%	14.30%	-11.80%
Salary Growth Rate (- / + 1%)	1.63	2.10	0.50	0.66
(% change compared to base due to sensitivity)	-11.60%	13.60%	-12.10%	14.50%
Attrition Rate (- / + 50% of attrition rates)	1.80	1.87	0.56	0.58
(% change compared to base due to sensitivity)	-2.20%	1.30%	-1.90%	1.40%
Mortality Rate (- / + 10% of mortality rates)	1.84	1.85	0.57	0.57
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

### Note 40: Commitments and contingencies

Particulars	Year ended 31st March 2023	
	Year ended 31st March 2023	Year ended 31st March 2022
(a) Counter Indemnities given to Banks in respect of contracts	259.64	275.72
(b) Income Tax Liability that may arise in respect of which Company is in appeal	35.02	35.02
(c) Service Tax liability that may arise in respect of matters in appeal	22.93	22.93
(d) TDS Liability as reflected in the Traces Portal which are under Reconciliation/ Appeal	0.07	0.14
(e) Value Added Tax liability that may arise in respect of matters in appeal	98.20	98.20
(f) Goods and Service Tax liability that may arise in respect of matters in appeal	17.07	0.00

(₹ in Crore)

- The Company is contesting the demands and the Management, including its legal counsel/Tax Advisors, believe that it is possible, but not probable, the action will succeed and accordingly no provision for liability has been recognised in the financial statements.
- WRIT Petition is under process against the Income Tax Settlement Commission Order which has been completed in the Financial Year 2019-20 and Tax due has been paid as per ITSC order in three Installments. Two Installments paid in the Financial year 2019-20 and due to Covid 19 final Installment paid in Financial year 2020-21.
- GST returns have been filed belatedly for most of the Months.
- The reconciliation for purchases and expenditures with the details available in Form 2A, according to the GST portal is under process. No provision for dues of interest on GST dues, if any, is provided in the accounts pending finalisations.
- We have received notice from GST department for various states in which we operate, in ordinary course of Business. The value of which couldn't be ascertained because of its nature. Correspondance with GST Department have been made with respect to the notice received.





## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 41: Segment Information

The company's operations predominantly consist of construction / project activities.

Hence there are no reportable segments under Indian Accounting standard -108 - 'Operating Segments'.

### Note 42: Details of dues to Micro and Small Enterprises as defined under MSME Act, 2006

There are no overdue amounts payable to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 based on information available with the Company. Further, the Company has not paid any interest to any Micro and Small Enterprises during the year ended March 31, 2023.

### Note 43: Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet Date

(₹ in Crore)

Particulars	Year ended 31st March 2023		Year ended 31st March 2022	
	Foreign Currency	Equivalent INR	Foreign Currency	Equivalent INR
Payables				
LKR	19.85	7.70	19.85	7.70
<b>Total</b>	<b>19.85</b>	<b>7.70</b>	<b>19.85</b>	<b>7.70</b>
Receivables				
USD	0.11	8.08	0.11	7.94
TAKA	31.33	26.58	24.58	20.84
LKR	40.05	12.11	13.03	6.09
<b>Total</b>	<b>71.49</b>	<b>46.77</b>	<b>37.72</b>	<b>34.87</b>

### Note 44 : Corporate Social Responsibility

The CSR expenditure comprises the following:

- Gross amount required to be spent by the Company during the year: ₹ 0.47 Crores.
- Amount spent during the year ₹ 0.51 Crores.
- Amount unspent during the year ₹ NIL

(₹ in Crore)

Name of equity share holders	As at 31st March 2023			As at 31st March 2022		
	Paid	Yet to be Paid	Total	Paid	Yet to be Paid	Total
(i) Construction/ Acquisition of any Asset	-	-	-	-	-	-
(ii) On Purpose other than (i) above	0.51	-	0.51	0.66	-	0.66
<b>Total</b>	<b>0.51</b>	<b>-</b>	<b>0.51</b>	<b>0.66</b>	<b>-</b>	<b>0.66</b>

### Note 44: Related Party Relationship and Transaction

#### (a) Name of related Parties and related party relationship

Related Party where control exists

Sr No	Name of the Related Party	Nature of Relationship
1	RPP Infra Overseas PLC	Subsidiary
2	RPP Infra Projects (Lanka) Limited	Subsidiary
3	Sanskar Dealcom Pvt Ltd	Subsidiary
4	Greatful Mercantile Pvt Ltd	Subsidiary
5	Lunkar Finance Private limited	Step down Subsidiary
6	RPP Annai JV Private Limited	Subsidiary
7	P Arul Sundaram – Chairman & Managing Director	Key Management Personnel
8	A Nithya – Whole Time Director	Key Management Personnel

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

Sr No	Name of the Related Party	Nature of Relationship
9	Renaatus Projects Pvt Ltd	Mr. Arul Sundaram (CMD) is the brother of Mr. P. Selvasundaram who is promoter of M/S. Renaatus Projects Pvt Ltd
10	P & C Projects Pvt Ltd	Mrs. A. Nithya (WTD) is one of the share holder in M/s. P & C Construction Pvt Ltd and her brothers are Chairman of M/s. P & C Projects Pvt Ltd.
11	Sanjeevi Constructions	Mr. Muralithasan who is the Director, is Managing Partner of the Firm
12	RPP P& C JV	A Firm in which RPP IPL is lead partner
13	RPP RK P& C JV	A Firm in which RPP IPL is lead partner
14	RPP Dhanya JV	A Firm in which RPP IPL is lead partner
15	RPP Renaatus JV	A Firm in which RPP IPL is lead partner
16	RPP Sathyamoorthy JV	A Firm in which RPP IPL is lead partner
17	RPP RK JV	A Firm in which RPP IPL is lead partner
18	RPP Blue Metals	Mr. P. Selvasundaram who is brother of Mr. Arulsundaram (CMD), is a director.
19	Ero Techno Systems	Mr. P. Arul Sundaram and Mrs. A Nithya both are Partners in the Firm
20	Nirara Shelters LLP	Mrs. A Nithya (WTD) is one of the Partner
21	R.P.P. Stocks and Securities Private Limited	Common Director
22	Arve Impex Private Limited	Common Director
23	RPP Ventures Private Limited	Common Director
24	Renaatus –RPP JV	A Firm in which RPP IPL is least partner
25	P&C RPP JV	A Firm in which RPP IPL is least partner
26	Spac Terminal Market Complex Limited	Common Director
27	Supreme Poultry Private Limited	Common Director
28	Dexterity Business Analysts Private Limited	Common Director
29	RPP RCCL JV	A Firm in which RPP IPL is lead partner
30	RPP Infra Projects Myanmar Limited	Associate Company
31	RPP SMC JV	A Firm in which RPP IPL is lead partner
32	Renaatus Procon Private Limited	Mr. Arul Sundaram (CMD) is the brother of Mr. P. Selvasundaram who is promoter of M/S. Renaatus Projects Pvt Ltd
33	IEL RPP JV	A Firm in which RPP IPL is least partner
34	RPP P&C Vagmine JV	A firm in which RPP is a Lead member
35	RPP HSGA JV	A firm in which RPP is a Lead member
36	RPP OPG JV	A firm in which RPP is a Lead member
37	RPP Infrastructure JV	A firm in which RPP is a Lead member
38	V. Satyamoorthy	Lease member

### (b) Transactions with Related Parties

Nature of Transaction/ Relationship/ Parties	2021-22	2020-21
<b>Purchase of Goods &amp; Services/ Work Bills</b>		
<b>Other Related Parties</b>		
P & C Projects Pvt Ltd	0.14	0.06
Sanjeevi Constructions	0.00	0.00
Renaatus Projects Pvt Ltd	0.08	0.00
RPP Blue Metals	0.33	0.40
Ero Techno Systems	2.22	0.44
RPP RK P&C JV	0.00	0.00
RPP P&C JV	0.00	0.00
Renaatus Procon Private Limited	0.00	0.00
RPP Dhanya JV	0.15	0.18



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

Nature of Transaction/ Relationship/ Parties	2021-22	2020-21
RPP Renaatus JV	0.12	0.52
<b>Sale of goods/ contract revenue &amp; services/Asset</b>		
<b>Other Related Parties</b>		
Renaatus Projects Pvt Ltd	0.04	0.18
P & C Projects Pvt Ltd	0.00	0.01
Sanjeevi Constructions	0.00	0.00
Ero Techno Systems	0.45	0.00
RPP P&C JV	0.83	0.70
RPP RCCL JV	0.00	0.00
RPP RK P&C JV	0.00	0.16
RPP SMC JV	2.01	3.08
RPP P&C VAGMINE JV	2.54	0.00
RPP Dhanya JV	13.08	4.93
RPP Renaatus JV	13.51	3.70
Renaatus RPP JV	126.62	7.99
RPP SATHYAMOORTHY JV	16.82	0.00
<b>Advances/Loan received/ recovered</b>		
<b>Subsidiaries</b>		
RPP Annai JV Private Limited	0.00	0.05
<b>Other Related Parties</b>		
Sanjeevi Constructions	0.08	0.00
Renaatus Projects Pvt Ltd	0.00	3.20
P & C Projects Pvt Ltd	0.12	0.71
RPP Dhanya JV	0.00	6.00
RPP Renaatus JV	0.00	2.60
Renaatus RPP JV	12.61	20.79
RPP SMC JV	0.00	0.27
Ero Techno Systems	0.17	0.00
Lunkar Finance Private limited	10.47	0.00
<b>Other Related Parties Transactions</b>		
P. Arulsundaram – Chairman and Managing Director	3.22	12.07
Mrs. A. Nithya – Whole Time Directors	9.51	13.33
<b>Other Transactions</b>		
<b>Out standing Balance as on 31/03/2023</b>		
<b>Subsidiaries</b>		
RPP Infra Overseas PLC	7.94	7.94
RPP Infra Projects (Lanka) Limited	7.70	7.70
Sanskar Dealcom Pvt Ltd	0.01	0.01
Greatful Mercantile Pvt Ltd	0.01	0.01
RPP Annai JV Private Limited	0.41	5.71
<b>Other Related Parties</b>		
Renaatus Projects Pvt Ltd	2.05	2.11
P & C Projects Pvt Ltd	0.03	1.54
Sanjeevi Constructions	0.34	0.41
RPP Dhanya JV	6.38	4.93
RPP Renaatus JV	8.69	9.70
RPP Sathyamoorthy JV	3.85	0.00
Lunkar Finance Private limited	0.00	10.45

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

Nature of Transaction/ Relationship/ Parties	2021-22	2020-21
Ero Techno Systems	0.34	0.47
RPP Blue Metals	0.10	0.01
RPP P&C JV	1.76	6.09
RPP RK P&C JV	0.07	1.43
RPP RK JV	0.00	0.00
RPP SMC JV	0.00	0.62
Renaatus Procon Private Limited	0.02	0.02
Renaatus RPP JV	6.25	7.92
RPP P&C VAGMINE JV	0.00	0.00
Due to Director ( Current Account)		
P. Arulsundaram – Chairman and Managing Director	0.07	0.11
Mrs. A. Nithya – Whole Time Directors	0.00	0.00
<b>Payment of Salaries/ perquisites (Other than commission to Key management personnel)</b>		
Mr. P. Arulsundaram – Chairman and Managing Director	0.48	0.48
Mrs. A. Nithya – Whole Time Directors	0.21	0.21
<b>Rent Paid to Directors</b>		
<b>Mr. P. Arulsundaram – Chairman and Managing Director</b>	0.30	0.30

### Note 45: Financial Instruments Disclosure

#### 45.1 Capital management

The Company's objective when managing capital is to:

- (i) Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and
- (ii) Maintain an optimal capital structure to reduce the cost of capital.
- (iii) The company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company comprises of equity share capital, retained earnings and other equity attributable to equity holders.. The Company is not subject to any externally imposed capital requirements.

#### 45.2 Gearing ratio

The following table summarizes the capital of the Company and the gearing ratios:

Particulars	(₹ in Crore)	
	As at 31st March 2023	As at 31st March 2022
<b>Total equity as per balance sheet</b>	<b>345.46</b>	<b>317.61</b>
Non- current borrowings	31.85	42.28
Current borrowings	47.58	62.04
Cash and Bank balances	37.38	41.52
<b>Net Debt</b>	<b>116.82</b>	<b>145.84</b>
Net debt to Equity ratio	2.96	2.18



# Notes to the Standalone Financial Statements for the year ended 31st March 2023

## 45.3 Categories of Financial Instruments

(₹ in Crore)

Particulars	As at	
	31st March 2023	31st March 2022
<b>Financial Assets</b>		
<b>Measured at fair value through profit or loss (FVTPL) (mandatorily measured)</b>		
(a) Investment	7.14	7.14
<b>Measured at Amortised cost</b>		
(b) Trade Receivables	169.23	207.30
(c) Cash and Cash equivalents	37.38	41.52
(d) Short Term Loans & Advances	53.32	24.07
(e) Others	92.66	142.49
<b>Financial Liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	79.44	104.32
(b) Trade payables	96.10	114.66
(c) Other financial liabilities	159.74	175.13

## 45.4 Financial Risk Management Objectives

In course of its business, the Company is exposed to certain financial risks that could have significant influence on the Company's business and operational / financial performance. These include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Management reviews and approves risk Management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks

### 45.4.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are foreign currency exchange risk and interest rate risk.

#### 44.4.1.1 Foreign Currency Risk Management

The company has overseas subsidiaries which are however are not material subsidiaries. Net amount payable / receivable are not hedge and company is hopeful of recovering the same in ensuing financial year. There are no other foreign currency risk exposure to the Company.

#### 44.4.1.2. Interest rate risk.

The Company is not exposed to interest rate risk because of borrowal of funds at fixed interest rates. The company's exposure to interet rate on borrowings are detailed in note 19.

### 45.4.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. The customer profile consists of around 70-80% from Govt. Sectors

The company's exposure to credit risk for trade and other receivables by type of counterparty are as follows

Particulars	Percentage to Total Trade receivables	
	As at 31st March 2023	As at 31st March 2022
Govt companies	65.97%	77.95%
Others	34.03%	22.05%

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### 45.4.3 Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

### Contractual maturity of financial liabilities:

(₹ in Crore)

As at March 31, 2023	Due - within 1 year	Due - More than 1 year	Total
Non-Current Borrowings	29.64	31.85	<b>61.49</b>
Other Non-Current Financial Liabilities	0.00	0.00	<b>0.00</b>
Current Borrowings	17.95	0.00	<b>17.95</b>
Trade Payables	96.10	0.00	<b>96.10</b>
Other Current Financial Liabilities	159.74	0.00	<b>159.74</b>
<b>Total</b>	<b>303.43</b>	<b>31.85</b>	<b>335.28</b>

(₹ in Crore)

As at March 31, 2022	Due - within 1 year	Due - More than 1 year	Total
Non-Current Borrowings	20.74	42.28	<b>63.02</b>
Other Non-Current Financial Liabilities	0.00	0.00	<b>0.00</b>
Current Borrowings	41.30	0.00	<b>41.30</b>
Trade Payables	114.66	0.00	<b>114.66</b>
Other Current Financial Liabilities	175.13	0.00	<b>175.13</b>
<b>Total</b>	<b>351.83</b>	<b>42.28</b>	<b>394.11</b>

### Note 46: Joint Venture Agreement

The Company has an unincorporated JV with the Party Ramalingam Construction Company Pvt Ltd with whom a project was jointly bid and obtained. However, the execution was fully done by the company. Company has agreed to pay 2% of Turnover of this project as Royalty to the Partner and this amount has been charged off to the Statement of Profit & Loss.

### Note 47: Disclosure Pursuant to Construction Contracts

Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers

- (a) The Company believes that the information provided vide Note 27 (Revenue from Operations) and vide Note 38 (Segment reporting) is sufficient to meet the disclosure requirements with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.
- (b) Reconciliation of the amount for revenue recognised in the Standalone Statement of Profit and Loss with the contracted price:

(₹ in Crore)

Particulars	31-03-2023	31-03-2022
Revenue from operations	1005.25	779.82
<b>Adjustments:</b>		
Claims	0.00	0.00
Revenue from contract with customers	1005.25	779.82



## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### (c) Contract balances

- (i) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	₹ in Crore)	
	31-03-2023	31-03-2022
Trade receivables	169.23	207.30
Contract assets: Unbilled revenue	92.66	142.49
Contract liabilities - Advance billing to customer	28.76	12.88
Contract liabilities - Mobilisation advances	41.99	112.01

- (ii) Movement in contract balances during the year

Particulars	₹ in Crores)		
	Contract assets	Contract liabilities	Net contract balances
Opening balance as at April 1, 2022	142.49	124.89	17.60
Closing balance as at March 31, 2023	92.66	70.75	21.91
<b>Net increase/(Decrease)</b>	-49.83	-54.14	4.31

- (iii) Revenue recognised during the year from opening balance of Contract liabilities amounts to ₹ 32.64 Crores

### (d) Remaining performance obligations

In case of revenue from Road repair and maintenance, the Company applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations where the Company has a right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Accordingly, the Company recognises revenue by an amount to which the Company has a right to invoice.

Remaining performance obligations are subject to variability due to several factors such as changes in scope of contracts, periodic revaluations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to remaining performance obligations is ₹ 3,200 Crores out of which 35%-45% is expected to be recognised as revenue in the next year and the balance thereafter.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

#### CA S N Duraiswamy

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXXQ5909

#### P. Arul Sundaram

Chairman & Managing Director  
DIN: 00125403

#### A. Nithya

Whole Time Director & Chief Financial Officer  
DIN: 00125357

#### Shammi Praksash

Company Secretary  
M.No: F12231

## Notes to the Standalone Financial Statements for the year ended 31st March 2023

### Note 48: Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% variance	Reason for variance (+/- >25%)
Current Ratio	Current Assets	Current Liabilities	1.64	1.61	1.97%	-
Debt -equity Ratio	Total Debt	Shareholder's Equity	0.23	0.33	-30.32%	Working Capital Loan utilised has been reduced in current year end due to fresh issue of Share Warrant causes the difference in decrease
Debt Service Coverage Ratio	Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt Service = Interest & Lease Payments + Principal Repayments <sup>1</sup>	1.56	1.25	24.56%	
Return On Equity (%)	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	7.84%	2.86%	174.12%	Three high value road projects are at establishment phase which reduces the Previous year profit and in current year it become normal.
Inventory Turnover Ratio	Cost of goods sold OR Sales	Average Inventory = (Opening + Closing balance/2)	NA <sup>2</sup>	NA <sup>2</sup>	NA <sup>2</sup>	-
Trade Receivables Turnover Ratio	Net Credit Sales = Gross credit sales - Sales return	Average Accounts Receivable = (Opening + Closing balance/2)	5.34	4.42	20.80%	-
Trade Payables Turnover Ratio	Net Credit Purchases = Gross credit purchases - Purchase return	Average Trade Payables	3.05	1.53	99.13%	Previous Years Purchases is low when compared to current year, because of new project is in full swing of progress
Net Capital Turnover Ratio	Net Sales = Total sales - Sales returns	Working Capital = Current assets - Current liabilities	4.42	3.40	30.03%	Previous Years Turnover is low when compared to current year, because of covid -19 Pandemic
Net Profit Ratio	Net Profit = Net profit shall be after tax	Net Sales = Total sales - Sales returns	0.03	0.01	158.57%	Three high value road projects are at establishment phase which reduces the Previous year profit and in current year it becomes normal.
Return On Capital Employed	Earnings before interest & taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.14	0.08	75.92%	During the previous year Three high value road projects are at establishment phase which reduces the profit. In addition, increase in capital employed because of Rights issue, leads to reduction in ROCE. In current year it backs to normal





## Notes to the Standalone Financial Statements for the year ended 31st March 2023

1. Interest expense + Principal repayments made during the period for Long term borrowings
2. Irrelevant to nature of business of the company, as the company falls under service sector.
3. Here, total debt consists of Long Term Borrowings alone.
4. Return received on Investment is immaterial as majority of investments are made in Subsidiaries and the rest are made in unquoted shares, from which we haven't received material return either in the form of dividend or appreciation in value.

### Note 49

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### Note 50: Additional Disclosures Under Schedule III Division II

- a) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- b) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority
- c) As per the information available with the Company, the Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- d) There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- e) Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2023.

# Consolidated Financial Statements



# Independent Auditor's Report

TO THE MEMBERS OF R.P.P INFRA PROJECTS LIMITED

## Report on the Audit of the Consolidated Financial Statements

### Opinion

I have audited the accompanying consolidated financial statements of **R.P.P. Infra Projects Limited** ("the Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

I conducted my audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to my audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined the matters described below to be the key audit matters to be communicated in my report.

S. No Key Audit Matter	Auditor's Response
<p><b>Revenue recognition in accordance with Ind AS 115 "Revenue from Contracts with Customers"</b></p> <p>The Company inter alia engages in Fixed-price development contracts, where, revenue is recognized using the percentage of completion computed as per the input method based on management's estimate of contract costs. (Refer Notes No. 27 to the Consolidated Financial Statements)</p> <p>I identified revenue recognition of fixed price development contracts as a KAM considering –</p> <ul style="list-style-type: none"> <li>• There is an inherent risk around the accuracy of revenues given, the customised and flexible nature of these contracts in terms of tenure of the projects.</li> <li>• Application of revenue recognition accounting standard is complex and involves a number of key judgments and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation;</li> <li>• These contracts may involve onerous obligations on the Company that require critical estimates to be made by management; and</li> <li>• At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised in the balance sheet.</li> </ul>	<p><b>My audit procedures on revenue recognized from fixed price development contracts include</b></p> <ul style="list-style-type: none"> <li>• Understanding of the systems, processes and controls implemented by management for recording and calculating revenue and work-in-progress/Contract assets.</li> <li>• On selected samples of contracts, I tested that the revenue recognized is in accordance with the accounting standard by – <ul style="list-style-type: none"> <li>➤ Evaluating the performance obligation;</li> <li>➤ Testing management's calculation of the estimation of contract cost and onerous obligation, if any. I: <ul style="list-style-type: none"> <li>❖ Observed that the estimates of cost to complete were reviewed and approved by appropriate levels of management;</li> <li>❖ Performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract; and</li> <li>❖ Assessed the appropriateness of work in progress (contract assets) in balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations.</li> </ul> </li> </ul> </li> </ul>

S. No	Key Audit Matter	Auditor's Response
2	<p><b>Measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices</b></p> <p>The Company, in its contract with customers, promises to transfer distinct services to its customers, which may be rendered in the form of engineering, procurement, and construction (EPC) services through design-build contracts, and other forms of construction contracts. The recognition of revenue is based on contractual terms, which could be based on agreed unit price or lump-sum revenue arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, or in the case of certain defence contracts, where the evidence of work carried out and cost incurred are covered by confidentiality arrangements, involves a significant amount of judgment. Assessing the recoverability of contract assets related to overdue milestones and amounts overdue against invoices raised which have remained unsettled for a significantly long period after the end of the contractual credit period also involves a significant amount of judgment.</p> <p>Refer to Note No. 2.14(i) and Note No.27 of the consolidated financial statements</p>	<p>The procedures performed included the following:</p> <ul style="list-style-type: none"> <li>• obtained an understanding of the Company's processes in collating the evidence supporting execution of work for each disaggregated type of revenue;</li> <li>• obtained an understanding of the Company's processes in assessing the recoverability of amounts overdue and process over estimating the expected credit loss allowance;</li> <li>• tested the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumptions into the provisioning model;</li> <li>• evaluated controls over authorisation and calculation of provisioning model;</li> <li>• evaluated the delivery and collection history of customers against whose contracts un-invoiced revenue is recognised;</li> <li>• verified for the sample selected, receipts post balance sheet date upto the approval of the financial statements by the Board of Directors of the Parent Company;</li> <li>• performed an overall assessment of the expected credit loss provision to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment; and</li> <li>• tested the appropriateness of the disclosures in the financial statements to ensure compliance with Ind AS 115</li> </ul>
3	<p><b>Claims and exposures relating to taxation and litigation</b></p> <p>The Group is subject to a large number of tax and legal disputes, which have been disclosed / provided for in the financial statements based on the facts and circumstances of each case.</p> <p>Taxation and litigation exposures have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.</p> <p>(Refer Note No. 40, Note no. 12.1 of the consolidated financial statements)</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process.</li> <li>• For selected controls we have performed tests of controls. <i>f</i></li> <li>• Obtained the summary of Group's legal and tax cases and critically assessed management's position through discussions with the Legal Counsel, Head of Tax and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss.</li> <li>• Examined external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. <i>f</i></li> <li>• Assessed the relevant disclosures made within the financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards.</li> <li>• Assessed the competence and objectivity of the Group's experts, to satisfy ourselves that these parties are suitable in their roles.</li> </ul>

**I have determined that there are no other Key Audit Matters to communicate in my report.**

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the

information included in the Company's annual report, but does not include the consolidated financial statements and my auditors' report thereon.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.



In connection with my audit of the consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I have required reporting that fact. I have nothing to report in this regard.

### **Management's Responsibilities for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high

level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of

which I am the independent auditor. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. I remain solely responsible for my audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

### Emphasis of Matter

I invite attention to:

- (a) Note No.41 which lists out the status of Income Tax Assessments of various years and also the year wise status of various notices received from Goods & Service Tax.
- (b) Note No.41 where the Company has declared that the reconciliation of Input Tax Credit & GSTR 2A is under progress
- (c) Note No.17 & 18 where the Company has declared that they have initiated a rectification process to resolve the difference between Paid up Share capital appearing in the books and MCA portal

My Opinion is not modified in respect of this matter.

### Other Matters

I did not audit the financial statements of Two branches and Twelve jointly controlled operations included in the standalone financial results of the Company, whose results reflect total assets of Rs. 123.90 Crore as at 31<sup>st</sup> March, 2023 and total revenues of Rs. 395.95 Crore and Rs.(1.56) Crore, net profit/(Loss) after tax and total comprehensive income of Rs. Nil for the year ended March 31<sup>st</sup> 2023, respectively and net cash flows amounting to Rs.12.86 Crore for the year then ended. These branch financial statements have been audited by other Auditors whose reports and these JV's financial statements have been audited by other Auditors whose reports have been furnished to me by the Management and my opinion on the standalone financial results, in so far as it relates to the amounts and disclosures

included in respect of these entities, is based solely on the report of such auditors and the procedures performed by me are as stated in paragraph above. The RPP HSEA JV, RPP INFRASTRUCTURE JV and RPP OPG JV though incorporated, business is yet to commence.

I did not audit the financial statements of Five subsidiaries, One Associate and One Step down subsidiary operations included in the consolidated quarterly financial results and year to date results, whose consolidated financial statements reflect total assets of Rs.52.28 Crore as at March 31, 2023, total revenue of Rs.35.08 Crore and total net profit/(loss) after tax of Rs.2.98 Crore, and total comprehensive income/(loss) of Rs.2.43 Crore and for the year ended 31<sup>st</sup> March, 2023 respectively and cash flows (net) of Rs.0.40 Crore for the year ended March 31, 2023, as considered in the consolidated financial results. The Interim financial statements and other financial information of Five subsidiaries, One Associate and One stepdown subsidiary have been audited by other auditors whose reports have been furnished to me, and my opinion on the quarterly financial results and the year to date results, to the extent they have derived from such interim financial statements is based solely on the report of such other auditor. In respect of the financial statements of three subsidiaries RPP Infra Overseas PLC Mauritius, RPP Infra Projects (Lanka) Limited, R.P.P Infra Projects Myanmar Ltd – Myanmar and branch offices at Jaffna - Sri Lanka and at Dhaka - Bangladesh, the audited statements were not made available and reliance has been entirely placed only on the certificate by the management.

My opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to my reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, I report, to the extent applicable, that:

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the aforesaid consolidated financial statements.
- (b) In my opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from my examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In my opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.



- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls; refer to my separate report in Annexure-A, which is based on the auditor's report of the company and its subsidiary companies incorporated in India. My audit report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the company and its subsidiary companies incorporated in India.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements.
  - ii. The Group does not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been a delay in transferring the amount of unclaimed dividend to the Investor Education and Protection Fund by the Holding Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
2. With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to me, and based on the CARO reports issued by me for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, I report that there are no qualifications or adverse remarks in these CARO reports.
- Place: Erode  
Date: 29 May 2023

For **CA S.N. Duraiswamy**  
Membership No.: 026599  
UDIN: 23026599BGQHX6040

## Annexure 'A' to the Independent Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of RPP Infra Projects Limited as of March 31, 2023 in conjunction with my audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's

internal financial controls system over financial reporting, except relating to the branches in Sri Lanka and Bangladesh.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In my opinion, to the best of the information and explanations given to me, except relating to the branches in Sri Lanka and Bangladesh for which I have neither audited nor received an Independent Auditor's report on the same, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **CA S.N. Duraiswamy**

Membership No.: 026599

UDIN: 23026599BGQHXR6040

Place: Erode

Date: 29 May 2023





# Consolidated Balance Sheet as at 31st March, 2023

(₹ in Crore)

Particulars	Notes	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	67.04	61.55
Capital work in progress	4	2.13	2.53
Other Intangible assets	5	0.07	0.01
Goodwill		0.27	0.27
Financial assets			
Investments	6	0.11	0.11
Long Term Loans & Advances	7	9.47	8.89
Other Financial Assets	8	71.44	53.60
Deferred Tax Asset	9	0.00	0.00
Other Non-Current Assets	10	3.26	4.68
<b>Total Non-Current Assets</b>		<b>153.79</b>	<b>131.65</b>
<b>Current assets</b>			
Inventories	11	16.60	18.43
Financial assets			
Investments			
Trade Receivables	12	188.22	216.98
Cash and Cash equivalents	13	37.78	41.79
Short Term Loans & Advances	14	69.32	23.79
Other Financial Asset	15	92.66	142.49
Other Current Assets	16	203.22	169.40
Current Tax Assets (net)	26	18.46	17.31
<b>Total Current Assets</b>		<b>626.26</b>	<b>630.19</b>
<b>Total assets</b>		<b>780.06</b>	<b>761.84</b>
<b>Equity &amp; Liabilities</b>			
<b>Equity</b>			
a. Equity Share Capital	17	37.46	36.69
b. Share Warrant		2.88	0.00
c. Other Equity	18	324.73	299.97
Equity Attributable to the Shareholders of the Company		365.08	336.67
Non Controlling Interests		(0.02)	(0.01)
<b>Total equity</b>		<b>365.06</b>	<b>336.66</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	19	31.85	31.82
Other Financial Liabilities			
Deferred Tax Liability	9	1.64	0.67
Provisions	20	1.63	0.35
<b>Total Non-current liabilities</b>		<b>35.12</b>	<b>32.84</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	21	47.58	62.04
Trade payables			
(a) Total outstanding dues of micro enterprises & small enterprises			
(b) Total outstanding dues of creditors other than micro enterprises & small enterprises	22	104.26	119.33
Other current financial liabilities	23	169.60	184.23
Other Current Liabilities	24	54.80	23.11
Short Term Provisions	25	2.62	2.49
Current Tax Liabilities (Net)	26	1.01	1.13
<b>Total Current liabilities</b>		<b>379.87</b>	<b>392.33</b>
<b>Total liabilities</b>		<b>415.00</b>	<b>425.17</b>
<b>Total equity and liabilities</b>		<b>780.06</b>	<b>761.84</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

**CA S N Duraiswamy**  
Membership No.: 026599

**P. Arul Sundaram**  
Chairman & Managing Director  
DIN: 00125403

**A. Nithya**  
Whole Time Director & Chief Financial Officer  
DIN: 00125357

Date: 29.05.2023  
Place: Erode  
UDIN: 23026599BGQHXR6040

**Shammi Praksash**  
Company Secretary  
M.No: F12231

**Consolidated Statement of Profit and Loss** for the year ended 31st March 2023

(₹ in Crore)

Particulars	Notes	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Income</b>			
Revenue from operations	27	1040.33	801.68
Other income	28	25.40	14.28
<b>Total income</b>		<b>1,065.73</b>	<b>815.97</b>
<b>Expenses</b>			
Cost of Material Consumed	29	321.06	186.35
Direct Operating Cost	30	582.57	533.21
Employee benefits expense	31	31.09	18.32
Finance Cost	32	13.34	13.98
Depreciation and amortization expense	33	9.11	7.97
Other expenses	34	66.84	44.95
<b>Total expense</b>		<b>1,024.00</b>	<b>804.78</b>
<b>Profit/(Loss) before Exceptional item and tax</b>		<b>41.73</b>	<b>11.19</b>
Exceptional Item		-	-
<b>Profit / (Loss) after Exceptions item and before tax</b>		<b>41.73</b>	<b>11.19</b>
<b>Tax Expense</b>			
Current Tax	35	11.80	5.17
Deferred tax	35	0.97	0.66
<b>Total Tax Expense</b>		<b>12.76</b>	<b>5.83</b>
<b>Profit/(loss) for the year</b>		<b>28.96</b>	<b>5.36</b>
Owner of the Parent		28.98	5.36
Non Controlling Interest		(0.02)	(0.00)
<b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		-	-
Remeasurement of defined benefit plans	36	1.41	0.09
Net change in fair values of investments in equity shares carried at fair value through OCI		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss			
Exchange differences on translation of Financial Statement of Foreign Companies	36	(2.43)	(3.40)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the period / year, net of tax</b>		<b>(1.02)</b>	<b>(3.32)</b>
Owner of the Parent		(1.02)	(3.32)
Non Controlling Interest		-	-
<b>Total Comprehensive Income for the year, net of tax attributable to</b>		<b>29.98</b>	<b>8.67</b>
Owner of the Parent		30.00	8.67
Non Controlling Interest		(0.02)	(0.00)
<b>Earnings per share</b>			
(1) Basic (in INR)	38	8.94	1.69
(2) Diluted (in INR)	38	8.94	1.69

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited****CA S N Duraiswamy**

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXR6040

**P. Arul Sundaram**Chairman & Managing Director  
DIN: 00125403**A. Nithya**Whole Time Director & Chief Financial Officer  
DIN: 00125357**Shammi Praksash**Company Secretary  
M.No: F12231



## Consolidated Statement of Cash Flows for the year ended 31st March 2023

(₹ in Crore)

Particulars	Notes	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>PROFIT BEFORE TAX</b>		<b>41.73</b>	<b>14.19</b>
<b>NON-CASH ADJUSTMENTS TO RECONCILE PROFIT/(LOSS) BEFORE TAX TO NET CASH FLOWS</b>			
<b>Add:</b> Depreciation		9.10	7.97
<b>Add:</b> Interest paid		13.34	13.98
<b>Less:</b> Interest received		(6.28)	(4.15)
<b>Add:</b> (Profit)/Loss on sale of Property, Plant and Equipment (Net)		(3.31)	(0.17)
<b>Add:</b> (Profit)/Loss on sale of Investment (Net)		-	0.00
<b>Add:</b> Changes in WIP		-	0.00
<b>Add:</b> Other non-cash items		0.97	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>55.54</b>	<b>31.81</b>
<b>WORKING CAPITAL ADJUSTMENTS</b>			
Increase / (Decrease) in Trade Payables		(10.40)	(11.32)
Increase / (Decrease) in Other Current Financial Liabilities		(5.53)	101.23
Increase / (Decrease) in Other Current Liabilities		32.50	10.88
Increase / (Decrease) in Short Term Provisions		0.13	0.03
(Increase) / Decrease in Trade Receivables		28.76	(60.95)
(Increase) / Decrease in Inventories		1.83	(6.98)
(Increase) / Decrease in Other Non-Current Assets		1.42	(0.21)
(Increase) / Decrease in Short Term Loans & Advances		(45.53)	1.37
(Increase) / Decrease in Other Financial assets		49.83	5.30
(Increase) / Decrease in Other Current Assets		(33.81)	(59.99)
Increase / (Decrease) in Provisions		1.28	0.05
Increase / (Decrease) in Other Non Current Financial Asset		(17.84)	36.84
Other Adjustments		(7.16)	0.92
<b>Cash generated from/(used in) operating activities</b>		<b>51.02</b>	<b>48.97</b>
<b>Less:</b> Direct Taxes Paid		(12.76)	(16.39)
<b>Net cash generated from/(used in) operating activities</b>		<b>38.25</b>	<b>32.58</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Investments		-	0.00
Payments for Purchase of Property, Plant and Equipment		(23.50)	(21.62)
Proceeds from Sale of Property, Plant and Equipment		5.18	0.65
Interest received		6.28	4.15
<b>Net cash generated from/(used in) investing activities</b>		<b>(12.03)</b>	<b>(16.82)</b>

## Consolidated Statement of Cash Flows for the year ended 31st March 2023

(₹ in Crore)

Particulars	Notes	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	(26.14)
Repayment of borrowings		(24.89)	7.43
Net changes in Long Term Loans & Advances		(0.58)	0.34
Interest paid		(13.34)	(13.98)
Purchase of equity or debt instruments of other entities		3.65	13.04
Others		4.93	28.49
<b>Net cash generated from/(used in) financing activities</b>		<b>(30.23)</b>	<b>9.18</b>
<b>Net increase in cash and cash equivalents</b>		<b>(4.01)</b>	<b>24.95</b>
<b>Add:</b> Cash and Cash Equivalents at the beginning of the period	13	41.79	16.84
Cash and Cash Equivalents at the end of the period	13	37.78	41.79

### Notes:

- Statement of cash flows has been prepared under the indirect method as set out in the IND AS 7 "Statement of cash Flows" as specified in the companies (indian accounting Standards) Rules, 2015
- Previous year figures have been regrouped/reclassified wherever required

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

### CA S N Duraiswamy

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXR6040

### P. Arul Sundaram

Chairman & Managing Director  
DIN: 00125403

### A. Nithya

Whole Time Director & Chief Financial Officer  
DIN: 00125357

### Shammi Praksash

Company Secretary  
M.No: F12231



## Consolidated Statement of Changes in Equity for the year ended 31st March 2023

### a. Equity Share Capital

	Note No	Number	₹ in Crore
<b>Equity shares of ₹ 10 each issued, subscribed and fully paid</b>			
<b>As at 31<sup>st</sup> March 2021</b>		<b>23650584.00</b>	<b>23.65</b>
Issue of share capital	17	13035716.00	13.04
<b>As at 31<sup>st</sup> March 2022</b>		<b>36686300.00</b>	<b>36.69</b>
Issue of share capital	17	773064.00	0.77
<b>As at 31<sup>st</sup> March 2023</b>		<b>37459364.00</b>	<b>37.46</b>

### b. Other Equity

Particulars	Note No	(₹ in Crore)							
		Reserves & Surplus				Share Application Money Share Application Money	Total attributable to the equity holders of the parent	Noncontrolling interest	Total equity
		Share Premium	Retained Earnings	Share Warrant	Other Reserves				
<b>As at 1<sup>st</sup> April 2022</b>		<b>90.33</b>	<b>198.48</b>	<b>0.00</b>	<b>9.02</b>	<b>2.15</b>	<b>299.98</b>	<b>-0.01</b>	<b>299.97</b>
Profit for the period	18	0.00	28.98	0.00	0.00	0.00	28.98	-0.01	28.97
Dividend	17.5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend distribution tax	17.5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share Warrant Premium	18	10.87	0.00	0.00	0.00	0.00	10.87	0.00	10.87
Share Warrant	18	0.00	0.00	2.88	0.00	0.00	2.88	0.00	2.88
Share Warrant Forfeiture	18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rights Issue Premium	18	0.95	0.00	0.00	0.00	0.00	0.95	0.00	0.95
Share Application Money	18	0.00	0.00	0.00	0.00	-0.85	-0.85	0.00	-0.85
Pending allotment									
Others	18	0.00	-10.61	0.00	-0.69	0.00	-14.18	0.00	-14.18
Other comprehensive income	18	0.00	-1.02	0.00	0.00	0.00	-1.02	0.00	-1.02
<b>As at 31<sup>st</sup> March 2023</b>		<b>102.15</b>	<b>215.82</b>	<b>2.88</b>	<b>8.33</b>	<b>1.30</b>	<b>327.60</b>	<b>-0.02</b>	<b>327.58</b>
<b>As at 1<sup>st</sup> April 2021</b>		<b>64.26</b>	<b>189.54</b>	<b>0.00</b>	<b>2.38</b>	<b>0.00</b>	<b>256.18</b>	<b>0.00</b>	<b>256.18</b>
Profit for the period	18	0.00	5.36	0.00	0.00	0.00	5.36	-0.01	5.34
Dividend	17.5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend distribution tax	17.5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share Warrant Premium	18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share Warrant Forfeiture	18	0.00	0.00	0.00	6.64	0.00	6.64	0.00	6.64
Rights Issue Premium	18	26.07	0.00	0.00	0.00	0.00	26.07	0.00	26.07
Share Application Money	18	0.00	0.00	0.00	0.00	2.15	2.15	0.00	2.15
Pending allotment									
Others	18	0.00	0.27	0.00	0.00	0.00	0.27	0.00	0.27
Other comprehensive income	18	0.00	3.32	0.00	0.00	0.00	3.32	0.00	3.32
<b>As at 31<sup>st</sup> March 2022</b>		<b>90.33</b>	<b>198.48</b>	<b>0.00</b>	<b>9.02</b>	<b>2.15</b>	<b>299.98</b>	<b>-0.01</b>	<b>299.97</b>

Summary of significant accounting policies  
The accompanying notes are an integral part of the financial statements.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

**CA S N Duraiswamy**  
Membership No.: 026599

**P. Arul Sundaram**  
Chairman & Managing Director  
DIN: 00125403

**A. Nithya**  
Whole Time Director & Chief Financial Officer  
DIN: 00125357

Date: 29.05.2023  
Place: Erode  
UDIN: 23026599BGQHXR6040

**Shammi Praksash**  
Company Secretary  
M.No: F12231

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Note 1: Company Overview

"RPP Infra Projects Limited has been engaged in nation-building since 1995. It is engaged in construction across multiple infrastructure verticals like roads, buildings, industrial structures, power, irrigation and water management and has executed many projects in Tamil Nadu, Kerala, Karnataka, Andhra Pradesh, Telangana, Madhya Pradesh, Maharashtra, Andaman & Nicobar, Jharkand and Uttar Pradesh for 28 years.

The company has the following subsidiaries which are engaged in the businesses mentioned below:

R.P.P Infra Overseas PLC and RPP Infra Projects (Lanka) Limited and RPP Annai JV Private Limited are engaged in the business of construction contracts and construction activities

Greatful Mercantile Private Limited and Sanskar

Dealcom Private Limited are engaged in the business of other non-specialised wholesale trade.

Lunkar Finance Private Limited is in the business of providing non-banking financial services.

## Note 2: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements.

### 2.01 Statement of compliance

#### Recent Accounting Developments:

#### 1) New Standards notified and adopted by the Company

MCA on 29 March 2018 notified the new standard for revenue recognition – Ind AS 115 (effective from 1 April 2018) which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five-step application principle to be followed for revenue recognition:

- a) Identification of the contracts with the customer
- b) Identification of the performance obligations in the contract
- c) Determination of the transaction price
- d) Allocation of transaction price to the performance obligations in the contract (as identified in step b)
- e) Recognition of revenue when the Company satisfies a performance obligation.

A number of other standards had been modified on miscellaneous issues with effect from 1<sup>st</sup> April 2018. Such changes include principle for transfer of asset to, or

from, Investment Property (Amendment to Ind AS 40), determination of exchange rate for translation of foreign currency where a pre-payment asset or a deferred income liability is recognized (Amendment to Ind AS 21), segregation of deductible temporary differences in accordance with tax laws and assessing them on that basis to recognise deferred tax asset (Amendment to Ind AS 12), permitting election of fair value or equity method of accounting for investments in associates and joint ventures by venture capital, mutual fund and other similar organisations (Amendment to Ind AS 28) and Applicability of disclosure requirements to interests classified as held for sale or as discontinued operation (Amendment to Ind AS 112).

None of these amendments have any material effect on the Company's financial statements..

#### 2) Ind AS New Standard notified but not early adopted by the Company

##### (i) New Accounting Standard on Lease

Ind AS 116 replaces existing standard Ind AS 17 "Leases". The standard is effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low value items. Lessor accounting remains similar to the current standard.

The said amendment does not have any impact on the financial statements.

##### (ii) Other amendments

Several other accounting standards have been modified on miscellaneous issues with effect from 1<sup>st</sup> April 2019. Such changes include clarification/guidance on:

- a) business combination accounting in case of obtaining control of a joint operation;
- b) accounting in case of obtaining joint control of an operation wherein there was no joint control earlier;
- c) income tax consequences in case of dividends;
- d) accounting for income tax when there is uncertainty over income tax treatment of an item by tax authorities;
- e) accounting treatment for specific borrowings post capitalization of corresponding qualifying asset;
- f) accounting for prepayment features with negative compensation in case of debt instruments;



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

- g) accounting for plan amendment, curtailment or settlement occurring in-between the reporting periods in case of long-term employee benefit plans;
- h) accounting for long-term interests in associates and joint ventures to which the equity method is not applied but that in substance form part of the net investment in the associate or joint venture (long-term interests).

None of these amendments are expected to have any material effect on the Company's financial statements.

### 2.02 Basis of Preparation

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flow together with notes for the year ended March 31, 2021, have been prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules as amended from time to time.

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Division II of Schedule III to the Companies Act, 2013.

#### Operating Cycle

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

#### Current and Non Current Classification

An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or

- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

#### Functional and Presentation Currency

Items included in financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

The Financial Statements are presented in Indian Rupees which is company's presentation currency. All financial information presented in Crores has been rounded to two decimals except where otherwise indicated.

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### 2.03 Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

#### Assumptions and Key Sources of Estimation Uncertainty

##### (i) Revenue

Revenue is recognised based on the extent of progress towards completion of the performance obligation. This requires the Company to estimate total contract revenue, and remaining cost to complete the contract at the end of each reporting date. The financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, therefore recognized revenue and profit are subject to change as the contract progresses to completion.

##### (ii) Useful life of Property, Plant & Equipment (PPE)

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management which is reviewed at the end of each reporting period. The rate of depreciation adopted by the company has been tabulated in note 2.03.

##### (iii) Expected Credit Loss (ECL)

Expected Credit Loss is prepared based on the historical data for the past two years with half yearly intervals and the probability of default is computed accordingly. The mechanism tries to identify the receivables which would probably result in becoming unrecoverable for the company and additional provision is created by company based on the ECL model.

##### (iv) Employee Benefits - Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

##### (v) Taxation

Determining of income tax liabilities using tax rates and tax laws that have been enacted or substantially enacted requires the Management to estimate the level of tax that will be payable based upon the Group's/ expert's interpretation of applicable tax laws, relevant judicial pronouncements and an estimation of the likely outcome of any open tax assessments including litigations or closures thereof.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

##### (vi) Fair value measurement

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Company used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 39.

##### (vii) Provision for contractual obligation

Assessments undertaken in recognising provisions for contractual obligation have been made as per the best judgement of the management based on the current available information.

### 2.04 Property, Plant and Equipment

Land and buildings, Property, Plant and Equipments held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management and initial estimate of decommissioning, restoring and similar liabilities. Such



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

cost includes the cost of replacing part of the plant and equipment and professional fees. Any trade discounts and rebates are deducted in arriving at the purchase price. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. All other repair and maintenance costs are recognised in profit or loss as incurred. Own fabricated assets are capitalized at cost including an appropriate share of overheads.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

### Depreciation on Property, Plant & Equipment

Depreciation of these PPE commences when the assets are ready for their intended use. Depreciation is provided on the cost of PPE (other than leasehold land) less their residual values, using the straight line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. The Company has used the following rates to provide depreciation on its property, plant and equipment.

Particulars	Rate of depreciation
Land	0.00%
Buildings	3.00%
Plant & Machinery	4.75%
Office Equipment	6.33%
Furniture and Fixtures	6.33%
Computer	16.21%
Light Motor Vehicle	9.50%
Heavy Vehicle	11.31%

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000/- which are fully depreciated at the time of addition.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation on refurbished/revamped PPE which are capitalized separately is provided for over the reassessed useful life.

### De-Recognition:

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised as in the Statement of Profit and Loss.

Assets not ready for the intended use on the date of the Balance Sheet are disclosed as Capital Work-in-Progress.

## 2.05 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The costs comprises of all cost, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible asset. Amortisation is recognised on a straight line basis over their estimated useful lives from the date of capitalisation. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively.

Computer software are amortized on a straight line basis over a period of 3 years.

### De-recognition

Intangible assets is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

## 2.06 Impairment of tangible and intangible assets

The Company reviews the carrying amount of its tangible and intangible assets and Property, Plant and Equipment (including Capital Works-in -Progress) of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount and impairment loss is recognised in the Statement of Profit and Loss.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

## 2.07 Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

### Operating leases:

- (i) Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the related assets are classified as operating leases.
- (ii) Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

## 2.08 Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

## 2.09 Financial assets

Financial assets comprises of investments, trade receivables, cash and cash equivalents, term loans and advances and other financial assets.

### (i) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

### (ii) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### (iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

### (iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

### (v) Impairment of financial assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

### (vi) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

## 2.10 Financial liabilities

### (i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

### (ii) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method

### (iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

## 2.11 Inventories

Inventories are stated at lower of cost and net realisable value.

Cost of construction / raw materials comprises cost of purchases and includes taxes and duties and is net of eligible credits under CENVAT/ VAT schemes/ Input Tax Credit (ITC). It also includes all other related costs incurred in bringing the inventories to their present location and condition.

Stores and spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Cost is determined on first in first out basis. Cost of surplus/ obsolete/ slow moving inventories are adequately provided for.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

## 2.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

## 2.13 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

## 2.14 Revenue recognition

### (i) Construction Contracts

Revenue is measured based on the consideration specified in a contract with a customer. Company recognises revenue when or as it transfers control over a good or service to a customer.

Allocation of transaction price to performance obligations - A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue, when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, we evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment; some of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract.

Payment terms - Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Payment terms may either be fixed, lump-sum or driven by time and materials (i.e., daily or hourly rates, plus materials). Because typically the customer retains a small portion of the contract price until completion of the contract, our contracts generally

result in revenue recognised in excess of billings which we present as contract assets on the statement of financial position. Amounts billed and due from our customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component because the intent is to protect the customer. For some contracts, we may be entitled to receive an advance payment. We recognise a liability for these advance payments in excess of revenue recognised and present it as contract liabilities on the statement of financial position. The advance payment typically is not considered a significant financing component because it is used to meet working capital demands that can be higher in the early stages of a contract and to protect us from the other party failing to adequately complete some or all of its obligations under the contract.

Warranty - Certain contracts include an assurance-type warranty clause, typically between 18 to 36 months, to guarantee that the products comply with agreed specifications.

Revenue recognised over time - Our performance obligations are satisfied over time as work progresses or at a point in time when performance obligations are fulfilled and control transfers to the customer. Typically, revenue is recognised over time using an input measure (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress.

Cost-to-cost method - For our long-term contracts, because of control transferring over time, revenue is recognised based on the extent of progress towards completion of the performance obligation. Upon adoption of the new standard we generally use the cost-to-cost measure of progress for our contracts because it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Any expected losses on construction-type contracts in progress are charged to earnings, in total, in the period the losses are identified. Previously, such contracts were accounted for under IAS 11 on Construction Contracts. Accordingly, revenue on ongoing contracts was measured on the basis of costs incurred and of margin recognised at the percentage of completion. Margin was recognised only when the



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

visibility of the riskiest stages of the contract was deemed sufficient and when estimates of costs and revenue was considered to be reliable. The percentage of completion was calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones defined for the main deliverables under the contracts or based on the ratio between costs incurred to date and estimated total costs at completion. As soon as the estimate of the final outcome of a contract indicated a loss, a provision was recorded for the entire loss. The gross margin of a long-term contract at completion was based on an analysis of total costs and income at completion, which are reviewed periodically and regularly throughout the life of the contract. A construction contract was considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset or temporary delivery, even if conditional.

Right to invoice practical expedient - The right-to-invoice practical expedient can be applied to a performance obligation satisfied over time if we have a right to invoice the customer for an amount that corresponds directly with the value transferred to the customer for our performance completed to date. When this practical expedient is used, we do not estimate variable consideration at the inception of the contract to determine the transaction price or for disclosure purposes. We have contracts which have payment terms dictated by daily or hourly rates where some contracts may have mixed pricing terms which include a fixed fee portion. For contracts in which we charge the customer a fixed rate based on the time or materials spent during the project that correspond to the value transferred to the customer, we recognise revenue in the amount to which we have the right to invoice.

Contract modifications - Contracts are often modified to account for changes in contract specifications and requirements. We consider contract modifications to exist when the modification either creates new, or changes the existing, enforceable rights and obligations. Most of our contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates is recognised as an adjustment to revenue

(either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

### (ii) Other Operational Income

Other Operational Income Includes Revenue for Technical services provided and accounted on accrual basis.

### (iii) Dividend income:

Dividend income from investments is recognised when the shareholder's right to receive payment is established by the reporting date.

### (iv) Interest Income

Dividend income from investments is recognised when the shareholder's right to receive payment is established by the reporting date.

### (v) Other Income

(a) Claims were accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance.

(b) Other items of income are accounted as and when the right to receive arises.

## 2.15 Borrowing Costs

Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

## 2.16 Employee Benefits

Employee benefits include salaries, wages, provident fund, employee state insurance and gratuity.

### (i) Defined contribution plans

Employer's contribution to the recognized provident fund which is a defined contribution scheme and ESI Contribution as per law are charged to the Profit and Loss account.

### (ii) Defined benefit plans

The Gratuity benefit is funded through a defined benefit plan. For this purpose, the Company has obtained a qualified insurance policy from Life Insurance Corporation of India.

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## 2.17 Voluntary Retirement Scheme

Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Statement of Profit and Loss when incurred.

## 2.18 Foreign Exchange Transactions

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Indian Rupees, which is the Company's functional currency and the Group's presentation currency.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise. In case of fixed assets they are adjusted to the carrying cost of such assets.

Gain/loss on foreign exchange translation at the year end is credited/debited to the Foreign Currency Translation Reserve.

## 2.19 General Administrative Expenses

General administrative expenses which are directly attributable are allocated to activities and the balance is charged to Statement of Profit and Loss.

## 2.20 Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

### (i) Current tax

Provision for current tax is made based on taxable income computed for the year under the Income Tax Act, 1961. Provision for current tax for the foreign subsidiaries are as in accordance with the applicable local laws.

### (ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

### (iii) Current and deferred tax expense for the year

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## 2.21 Proposed Dividend

The Company has disclosed dividend, proposed by board of directors after the balance sheet date, in the notes, as provision cannot be created for dividend proposed / declared after the balance sheet date, unless a statute requires otherwise.



# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## 2.22 Extraordinary and exceptional Items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

## 2.23 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per

share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## 2.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

## 2.25 Segment reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

### CA S N Duraiswamy

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHXR6040

### P. Arul Sundaram

Chairman & Managing Director  
DIN: 00125403

### A. Nithya

Whole Time Director & Chief Financial Officer  
DIN: 00125357

### Shammi Praksash

Company Secretary  
M.No: F12231

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 3: Property, plant & equipment

(₹ in Crore)

Particulars	Land	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer	Buildings	Motor Vehicle	Heavy Vehicle	Total
<b>Gross carrying amount</b>									
As at 31 <sup>st</sup> March 2021	3.31	57.15	1.22	0.37	1.29	0.84	3.36	27.54	95.09
Additions	0.00	10.29	0.34	0.19	0.48	0.26	3.67	7.83	23.05
Disposals	0.00	1.34	0.00	0.00	0.00	0.04	0.39	2.39	4.16
As at 31 <sup>st</sup> March 2022	3.31	66.11	1.55	0.55	1.77	1.06	6.63	32.98	113.98
Additions	0.00	9.60	0.40	0.06	0.41	0.00	1.92	8.67	21.06
Disposals	1.00	10.38	0.00	0.00	0.00	0.00	0.03	3.02	14.43
As at 31 <sup>st</sup> March 2023	2.31	65.31	1.94	0.61	2.17	1.06	8.52	38.63	120.57
<b>Depreciation and impairment</b>									
As at 31 <sup>st</sup> March 2021	0.00	26.83	0.88	0.18	1.07	0.31	1.81	16.96	48.09
Depreciation charge for the year	0.00	4.72	0.12	0.03	0.19	0.02	0.49	1.73	7.30
Disposals/Adjustments	0.00	0.47	0.00	0.00	0.00	0.02	0.24	2.17	2.91
As at 31 <sup>st</sup> March 2022	0.00	31.07	0.99	0.21	1.26	0.32	2.06	16.51	52.43
Depreciation charge for the year	0.00	4.77	0.17	0.04	0.27	0.02	0.82	3.01	9.10
Disposals/Adjustments	0.00	5.25	0.00	0.00	0.00	0.00	0.03	2.67	7.94
As at 31 March 2023	0.00	30.59	1.17	0.25	1.53	0.34	2.85	16.85	53.53
<b>Net Carrying amount</b>									
At 31 <sup>st</sup> March 2023	2.31	34.73	0.77	0.36	0.64	0.73	5.66	21.78	67.04
At 31 <sup>st</sup> March 2022	3.31	35.04	0.56	0.34	0.51	0.75	4.57	16.47	61.55

### Note 4: Capital Work in Progress

Particulars	Capital Work in Progress	Total
<b>Gross carrying amount</b>		
As at 31 <sup>st</sup> March 2021	4.08	4.08
Purchases	0.50	0.50
Transfer	2.04	2.04
As at 31 <sup>st</sup> March 2022	2.54	2.54
Purchases	0.08	0.08
Transfer	0.49	0.49
As at 31 <sup>st</sup> March 2023	2.13	2.13
<b>Amortisation and impairment</b>		
As at 31 <sup>st</sup> March 2021	0.00	0.00
Amortisation	0.00	0.00
Adjustment	(0.01)	(0.01)
As at 31 <sup>st</sup> March 2022	0.01	0.01
Amortisation	0.00	0.00
Adjustment	0.00	0.00
As at 31 <sup>st</sup> March 2023	0.01	0.01
<b>Net Carrying Amount</b>		
At 31 <sup>st</sup> March 2023	2.13	2.13
At 31 <sup>st</sup> March 2022	2.53	2.53





## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### CWIP aging schedule as on 31.03.2023

(₹ in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.08	0.00	0.00	0.00	0.08
Projects temporarily suspended	0.00	0.00	0.00	2.04	2.04

### CWIP aging schedule as on 31.03.2022

(₹ in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.50	0.00	0.00	0.00	0.50
Projects temporarily suspended	0.00	0.00	0.00	2.03	2.03

### Note 5: Intangible Assets

(₹. In crores)

Particulars	ERP Software	Website Development	Intangible asset under Development	Total
<b>Gross carrying amount</b>				
<b>As at 31<sup>st</sup> March 2021</b>	<b>0.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.30</b>
Additions	0.00	0.00	0.00	0.00
Disposals	0.01	0.00	0.00	0.01
<b>As at 31<sup>st</sup> March 2022</b>	<b>0.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.30</b>
Additions	0.15	0.00	0.00	0.15
Disposals	0.08	0.00	0.00	0.08
<b>As at 31<sup>st</sup> March 2023</b>	<b>0.36</b>	<b>0.00</b>	<b>0.00</b>	<b>0.36</b>
<b>Amortisation and impairment</b>				
<b>As at 31<sup>st</sup> March 2021</b>	<b>0.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>
Amortisation	0.00	0.00	0.00	0.00
Adjustment	0.00	0.00	0.00	0.00
<b>As at 31<sup>st</sup> March 2022</b>	<b>0.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>
Amortisation	0.01	0.00	0.00	0.01
Adjustment	0.01	0.00	0.00	0.01
<b>As at 31<sup>st</sup> March 2023</b>	<b>0.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>
<b>Net Carrying Amount</b>				
<b>At 31<sup>st</sup> March 2023</b>	0.07	0.00	0.00	0.07
<b>At 31<sup>st</sup> March 2022</b>	0.01	0.00	0.00	0.01

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Note 6: Investments -Non- Current

Particulars	(₹ in Crore)	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
<b>Non Trade Investments (6A.1)</b>		
Investment in Equity Instruments (Non Trade Investments)	0.11	0.11
<b>Trade Investments (6A.2)</b>		
Investment in Equity Instruments (Trade Investments)	-	-
<b>Total investments</b>	<b>0.11</b>	<b>0.11</b>

### Note 6A.1: Non Trade Investments

Name of the Body Corporate	Classification	Quoted/ Unquoted	Partly Paid / Fully paid	No. of Shares / Units		Extent of Holding (%)		(₹ In INR)	
				31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
				3i Infotech Limited(Face Value @ ₹ 10 per share)	Others	Quoted	Fully Paid	1000.00	1000.00
Hindustan Construction Company Limited(Face Value @ ₹ 1 per share)	Others	Quoted	Fully Paid	9000.00	9000.00	0.01%	0.01%	0.00	0.00
IVRCL Infrastructure & Projects Limited(Face Value @ ₹ 2 per share)	Others	Quoted	Fully Paid	900.00	900.00	0.00%	0.00%	0.00	0.00
Sakthi Sugars Ltd(Face Value @ ₹ 10 per share)	Others	Quoted	Fully Paid	500.00	500.00	0.00%	0.00%	0.00	0.00
MEP Infra Developers (Face Value @ ₹ 10 per share)	Others	Quoted	Fully Paid	10000.00	10000.00	0.00%	0.00%	0.00	0.00
Other Comprehensive Income				0.00	0.00	0.00%	0.00%	0.06	0.06
SPAC Terminal Market Complex Ltd.(Face value @ ₹ 1 Per Share and Previous Face Value per Share @ ₹ 10 per share)	Others	Unquoted	Fully Paid	299000.00	299000.00	6.89%	6.89%	0.03	0.03
Narayana City Bus Operations Pvt Ltd(Face Value @ ₹ 100 per share)	Others	Unquoted	Fully Paid	20000.00	20000.00	0.00%	0.00%	0.02	0.02
<b>Total Non Trade Investments</b>								<b>0.11</b>	<b>0.11</b>

## Note 7: Long term Loans & Advances

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advance to Suppliers	2.14	2.14
Long term loans and advances	7.33	6.75
<b>Total</b>	<b>9.47</b>	<b>8.89</b>

## Note 8: Other Financial Assets

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Bank deposits with more than 12 months maturity</b>		
Earmarked Balances	71.44	53.60
<b>Total</b>	<b>71.44</b>	<b>53.60</b>



# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Note 9: Deferred Tax Asset / Liability

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Deferred Tax Asset/Liability	1.64	0.67
<b>Total</b>	<b>1.64</b>	<b>0.67</b>

## Note 10: Other Non-Current Assets

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Other Advances</b>		
Prepaid Expense	3.26	4.68
<b>Total</b>	<b>3.26</b>	<b>4.68</b>

## Note 11: Inventories

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Raw materials- Construction Materials	16.47	18.30
Stock in Trade (Stock of Shares & Securities held for Trading)	0.13	0.13
<b>Total inventories at the lower of cost or net realisable value</b>	<b>16.60</b>	<b>18.43</b>

Inventory is not pledged as security

## Note 12: Trade receivables

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Unsecured considered good	188.22	216.98
<b>Total Trade receivables</b>	<b>188.22</b>	<b>216.98</b>

### Trade Receivables ageing schedule as on 31.03.2023

(₹ in Crore)

Particulars	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	103.74	21.02	0.85	2.17	43.32	171.10
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables–considered good					17.12	17.12
(v) Disputed Trade Receivables – which have significant increase in credit risk						

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Trade Receivables ageing schedule as on 31.03.2022

(₹ in Crore)

Particulars	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	140.64	10.92	15.81	10.41	22.09	199.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables–considered good					17.12	17.12
(v) Disputed Trade Receivables – which have significant increase in credit risk						

#### Note: 12.1

There are arbitration proceedings going on in respect of the following departments - Rites, Sipcot, Ntecl and MSEZ towards which sums ₹ 2.13 Crores, ₹ 0.75 Crores, ₹ 27.30 and ₹ 2.80 Crores respectively are shown as receivables. The company has filed the necessary papers with the arbitrators and the above receivables are considered good for recovery. Third Party balances are subject to external confirmations.

### Note 13: Cash and cash equivalent

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Balances with banks:</b>		
– On current accounts	37.14	40.84
Cash on hand	0.64	0.95
<b>Total</b>	<b>37.78</b>	<b>41.79</b>

### Note 14: Short Term Loans and Advances

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Unsecured, considered good:</b>		
Advance to employees	0.21	0.25
Advance to sub-contractors	-1.32	8.04
Balance with Subsidiaries	39.02	0.02
Non-Trade Receivable	13.52	13.52
Advances towards purchase of Land	16.00	0.00
Others	1.89	1.95
<b>Total</b>	<b>69.32</b>	<b>23.79</b>

### Note 15: Other Financial Assets

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Others</b>		
Contract Asset	92.66	142.49
<b>Total</b>	<b>92.66</b>	<b>142.49</b>

**Note: Classified as non financial asset as the contractual rights to consideration is dependent on completion of contractual milestone.**



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 16: Other Current Assets

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Other Advances</b>		
Other Receivable-Current	0.00	0.00
Retention by customers	178.97	131.17
Advance paid towards Equity Shares subscription	0.00	5.71
Advance Tax/ Tds deducted (receivables)	0.00	0.03
Mobilisation Advances / Other Projects Receivables	12.41	15.52
Balances with statutory / government authorities	11.84	16.97
<b>Total</b>	<b>203.22</b>	<b>169.40</b>

### Note 26: Current Tax Assets (Net)

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Provision for Income Tax (Net of Advance income tax)	18.46	17.31
<b>Total</b>	<b>18.46</b>	<b>17.31</b>

### Note 17: Share Capital

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Authorised Share Capital</b>		
50,000,000 (March 31, 2023: 50,000,000) equity shares of ₹ 10/-	500000000	340000000
<b>Share Capital</b>		
<b>Issued and Subscribed Capital</b>		
38,180,584 (March 31, 2023: 37,880,584) equity shares of ₹ 10/- each fully paid up	381805840	378805840
<b>Issued and Fully Paid up equity capital</b>		
37,459,364 (March 31, 2023: 37,459,364) equity shares of ₹ 10/- each fully paid up	374593640	366863000
<b>Issued and Partly Paid up equity capital</b>		
7,21,220 (March 31, 2023: 37,459,364) equity shares of ₹ 10/- each fully paid up	7212200	11942840

### Note 17.1: Reconciliation of the number of shares outstanding

Particulars	(₹ in Crore)			
	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Reconciliation of No. of shares</b>				
<b>Outstanding at the beginning of the year</b>	36,686,300	366,863,000	23,650,584	236,505,840
Add: Shares issued during the year	773,064	7,730,640	13,035,716	130,357,160
<b>Outstanding at the end of the year</b>	<b>37,459,364</b>	<b>374,593,640</b>	<b>36,686,300</b>	<b>366,863,000</b>

### Note 17.2: Terms / rights attached to equity shares

The company has only one class of equity share having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 17.3 : Details of shares held by subsidiaries of ultimate holding company / holding and / or their subsidiaries / associates

(₹ in Crore)

Name of equity share holders	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of shares	% Holding	No. of shares	% Holding
RPP Infra Projects ( Lanka ) Limited	1,16,143.00	100.00%	1,16,143.00	100.00%
RPP Infra Over Seas PLC	4,980.00	100.00%	4,980.00	100.00%
Sanskar Dealcom Private Limited	2,09,930.00	100.00%	2,09,930.00	100.00%
Greatful Mercantile Private Limited	2,11,500.00	100.00%	2,11,500.00	100.00%
Lunkar Finance Private Limited ( Subsidiary - Stepdown)	4,21,430.00	100.00%	4,21,430.00	100.00%
RPP Annai (JV) Private Limited	5,100.00	51.00%	5,100.00	51.00%

### Note 17.4 : Details of shareholders holding more than 5% shares in the Company are as under:

(₹ in Crore)

Name of equity share holders	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of shares	% Holding	No. of shares	% Holding
Mr P. Arulsundaram	11629509.00	60.17%	11629509.00	60.17%
Mrs A. Nithya	7699837.00	39.83%	7699837.00	39.83%
<b>Total</b>	<b>1,93,29,346.00</b>	<b>100.00%</b>	<b>1,93,29,346.00</b>	<b>100%</b>

### Note 17.5: Details of Promoters shares in the Company are as under:

(₹ in Crore)

Name of equity share holders	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of shares	% Holding	No. of shares	% Holding
Mr P. Arulsundaram	11629509.00	60.17%	11629509.00	60.17%
Mrs A. Nithya	7699837.00	39.83%	7699837.00	39.83%
<b>Total</b>	<b>1,93,29,346.00</b>	<b>100.00%</b>	<b>1,93,29,346.00</b>	<b>100%</b>

### Note 17.6: Proposed dividends on Equity shares:

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
The board proposed dividend on equity shares after the balance sheet date Proposed dividend on equity shares for the year ended 31 <sup>st</sup> March, 2023: NIL	0.00	0.00
Tax on proposed dividend	0.00	0.00

### Note 18: Other equity

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Securities premium account	102.15	90.33
Revaluation reserve	1.69	2.38
Retained Earnings	212.88	198.40
Retained Earnings-Non Controlling Interest	-0.02	-0.01
Other Reserve (Share Warrant Forfeiture)	6.64	6.64
Share Application Money	1.30	2.15
General Reserve	0.05	0.05
Statutory Reserve	0.04	0.04
<b>Total</b>	<b>324.73</b>	<b>299.97</b>



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 18.1: Securities premium account

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Balance at beginning of year	90.33	64.26
Add / Less: Movements	11.82	26.07
<b>Balance at end of year</b>	<b>102.15</b>	<b>90.33</b>

### Note 18.2: Revaluation reserve

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Balance at beginning of year	2.38	2.38
Add / Less: Movements	(0.69)	0.00
<b>Balance at end of year</b>	<b>1.69</b>	<b>2.38</b>

### Note 18.3: Retained Earnings

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Balance at beginning of year	198.47	180.88
Add / Less: Movements	14.48	17.59
<b>Balance at end of year</b>	<b>212.95</b>	<b>198.47</b>

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act 2013 for specified purposes.

### Note 18.4: Share Warrant

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Share Warrant	2.88	0.00
<b>Total</b>	<b>2.88</b>	<b>0.00</b>

### Note 18.5: Other Reserve (Share Warrant Forfeiture)

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Balance at beginning of year	6.64	0.00
Add / Less: Movements	0.00	6.64
<b>Total</b>	<b>6.64</b>	<b>6.64</b>

### Note 18.6: Share Application Money

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Balance at beginning of year	2.15	0.00
Add / Less: Movements	(0.85)	2.15
<b>Total</b>	<b>1.30</b>	<b>2.15</b>

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

Company has obtained approval of the shareholders for 40,00,000@90 allotment of warrant at the General Meeting held on 12<sup>th</sup> June 2020. Fund Received from Promoter being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018. Companies was obtained "In-Principle Approval" under the Regulation 28(1) of SEBI (LODR) Regulation, 2015 granted by the BSE Limited vide its letter reference no. DCS/PREF/BA/PRE/697/2020-21 dated 13th July 2020 and National Stock Exchange of India Limited vide its letter reference no. NSE/LIST/24057 dated 8<sup>th</sup> July 2020. Accordingly, dated 14.07.2020 Share Allotment Committee approved allotment of 40,00,000 warrants convertible into Equity Shares of ₹10 each to the promoters on preferential basis at an issue price of the ₹ 90 per warrants on receipt of the amount of ₹ 9 Crores (Rupees Nine Crores Only) being 25% of consideration in accordance with the SEBI (ICDR) Regulation, 2018.

Further dated 04.03.2021 Share Allotment Committee of the Board of Directors of the Company held on 4<sup>th</sup> March 2021 was allotted 10,50,000 [Ten Lakhs Fifty Thousand] Fully Paid-up Equity Shares of = 10/- each ["said shares"] on conversion of 10,50,000 Warrants on receipt of the full consideration towards these warrants and exercise of option of conversion. The allotted shares ranks pari passu with the existing Equity Shares of the Company in all respects including dividend.

However, on 16 December 2021, we received notice from Warrant holders, informing us about their intention to not to exercise their right for conversion of the remaining Warrants.

Accordingly, pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the said Warrant holders have failed to exercise their rights to acquire the Equity Shares underlying the said Warrants. As a result the remaining Warrants i.e., 29,50,000 Warrants, stand cancelled/lapsed and the consideration of ₹ 06.637 crores (25% of consideration) received by the Company from the Warrant holders, towards allotment of said Warrants, is forfeited in accordance with the terms of the said Warrants and the provisions of the SEBI ICDR Regulations, 2018, and the same was approved by the Share Allotment Committee of the Board of Directors of RPP Infra projects Limited at its meeting held on 17/12/2021.

SHARE WARRANT:	Units	Amount Received	Share Capital	Securities Premium
Number of Warrant Issued	4000000.00	160876000.00	0.00	0.00
Warrants Converted into Shares	1050000.00	94500000.00	10500000.00	84000000.00
Warrants Forfeited	2950000.00	66376000.00	0.00	0.00
<b>Warrants Forfeited</b>	<b>2950000.00</b>			
<b>Amount Forfeited</b>		<b>66376000.00</b>		

RIGHT ISSUE:	Units	Amount Received	Share Capital	Securities Premium
Shares Issued	16000000.00			
Shares Subscribed	14230000.00			
Share Application Money Received		256140000.00	85380000.00	170760000.00
First & Final call Received		162105360.00	54035120.00	108070240.00
<b>Fully Paid up Shares</b>	<b>13508780.00</b>		<b>135087800.00</b>	<b>270175600.00</b>
<b>Partly Paid up Shares</b>	<b>721220.00</b>		<b>4327320.00</b>	<b>8654640.00</b>

ISSUE OF UPTO 1,60,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (RIGHTS EQUITY SHARES) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 30 PER EQUITY SHARE (ISSUE PRICE), AGGREGATING UPTO ₹ 48,00,00,000 (RUPEES 48.00 CRORES) (ASSUMING FULL SUBSCRIPTION) ON A RIGHTS BASIS

(I) TO THE EXISTING ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 3 RIGHTS EQUITY SHARES FOR EVERY 5 FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON SEPTEMBER 20, 2021;

(II) TO THE RESERVED PORTION IN FAVOUR OF THE WARRANT HOLDERS

On Application, Investors paid ₹ 18 per Rights Equity Share (Face Value of ₹ 6 and Premium of ₹ 12) which constitutes 60% of the Issue Price and the balance ₹ 12 per Rights Equity Share (Face Value of ₹ 4 and Premium of ₹ 8) which constitutes 40% of the Issue Price was paid on First and Final Call, as determined by our Board at its sole discretion, from time to time.

Out of 1,60,00,000 shares issued, 1,42,30,000 shares had been subscribed, through which we have received ₹ 25.61 Crores.

Out of 1,42,30,000 shares subscribed through payment of Application money, We have received the First and Final call money towards 1,35,08,780 shares, amounting to ₹ 16.21 Crores





## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

First & Final Call Money (Share Capital - ₹ 4 & Securities Premium - ₹ 8) with respect to 7,21,220 partly paid up shares are still in progress as on date.

There is a difference in the Paid Up share Capital between Books of Accounts and MCA Portal. We have initiated the process of rectification in the MCA Portal

### PREFERENTIAL ISSUE

Company has obtained approval of the shareholders for 1,15,00,000@44.25 allotment of warrant and 300000 Equity share at an issue price of ₹ 44.25 (including premium ₹ 34.25) per share at the Extra ordinary General Meeting held on 01<sup>st</sup> February 2023. Company will received full amount from non-promoters at the time of allotment of 300000 equity shares and 25% of warrant price received at the time of allotment of 1,15,00,000 and remaining amount received at the time of conversion within 18 Months from date of allotment in accordance with the SEBI (ICDR) Regulation, 2018. Companies was obtained "In-Principle Approval" under the Regulation 28(1) of SEBI (LODR) Regulation, 2015 granted by the BSE Limited vide its letter reference no. DCS/PREF/CP/FIP/3139/2022-23 dated 20th February 2023 and National Stock Exchange of India Limited vide its letter reference no. NSE/LIST/34030 dated 20th February 2023.

Preferential Issue	Unit	Amount Received	Share Capital	Share Warrant	Securities Premium
Shares Issued	300000.00				
Number of Warrant Issued	11500000.00				
Share Capital Received		13275000.00	3000000.00	0.00	10275000
25% of Warrants Received		127218750.00	0.00	28750000.00	98468750

### Note 19: Borrowings- Non current

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Secured</b>		
<b>Term Loans</b>		
From Banks (Secured)	34.53	35.26
From NBFC (Secured)	12.81	9.51
<b>Unsecured</b>		
<b>Term Loans</b>		
From Banks (Unsecured)	0.00	0.00
From NBFC (Unsecured)	14.15	7.79
<b>Total</b>	<b>61.49</b>	<b>52.56</b>
Less: Current Maturities of Long Term Debt	29.64	20.74
<b>Total</b>	<b>31.85</b>	<b>31.82</b>

#### Note 19.1: Nature of Security

Particulars	Loan outstanding	Security	Repayment terms
<b>From Banks</b>			
Secured Loan with Various Banks and Interest @ 8.85%	34.53	Promoters Share	Every Month
<b>From NBFC's</b>			
Term Loan with Non Banking Financial institutions and Interest @ 9.29%	12.81	Promoters Shares	Every Month
Unsecured Loan with Non Banking Financial institutions and Interest @ 11%	14.15	Promoters Shares	Renewal Every Year

Note: Personal Guarantee has been provided by the Directors for all the Loans Sanctioned

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Net debt reconciliation

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Cash and cash equivalents	37.78	41.79
Liquid investments	-	-
Non Current borrowings including interest	31.85	31.82
Current Borrowings	47.58	62.04
<b>Net (debt)/ Cash &amp; Cash Equivalents</b>	<b>41.66</b>	<b>52.08</b>

Particulars	Other Assets		Liabilities from financing activities		Total
	Cash and bank overdraft	Liquid Investments	Non-current borrowings	Current borrowings	
<b>(Net debt)/ Cash &amp; Cash Equivalents as at 31<sup>st</sup> March 2021</b>	<b>107.27</b>	<b>0.00</b>	<b>57.94</b>	<b>54.62</b>	<b>5.28</b>
Cash Flows	(51.51)		(26.14)	7.43	32.81
Interest expense					0.00
Interest paid	(13.98)				13.98
<b>(Net debt)/ Cash &amp; Cash Equivalents as at 31<sup>st</sup> March 2022</b>	<b>41.78</b>	<b>0.00</b>	<b>31.81</b>	<b>62.05</b>	<b>52.08</b>
Cash Flows	9.33		0.03	(14.46)	(23.76)
Interest expense					0.00
Interest paid	(13.34)				13.34
<b>(Net debt)/ Cash &amp; Cash Equivalents as at 31<sup>st</sup> March 2023</b>	<b>37.78</b>	<b>0.00</b>	<b>31.85</b>	<b>47.59</b>	<b>41.66</b>

## Note 20: Provisions- Long term

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Gratuity	1.63	0.35
<b>Total</b>	<b>1.63</b>	<b>0.35</b>

## Note 21: Borrowings- Current

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Secured</b>		
Loans repayable on Demand from banks (Refer 21.1)	17.95	41.30
Loans repayable within one year from banks	0.00	0.00
Current maturities of Long Term Secured Debt	19.60	12.97
Current maturities of Long Term Unsecured Debt	10.04	7.78
<b>Total</b>	<b>47.58</b>	<b>62.04</b>

Note: Personal Guarantee has been provided by the Directors for all the Loans Sanctioned



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 21.1: Nature of Security

Particulars	Loan outstanding	Security	Repayment terms
<b>From Banks</b>			
Working Capital with Various Banks and Interest @ 11.50%	17.95	Personal Security of Vacant land, Building, Factory building, Vacant House, Residential Building @ various places Land & building, vacant land @ various places Immovable Land and Building property @ Giundy Taluk Personal Guarantee Value of Property	Renewal Every Year
<b>From NBFC's</b>			
Working Capital with Non Banking Financial institutions and Interest @ 11.50%		Personal Guarantee	Renewal Every Year

### Note 21.2: Fund Based Limit Enjoyed by the Company

(₹ in Crore)

Name of Lending institutions	Type of Loan	Sanctioned Limit	Utilised	
			As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Indian Overseas Bank, Surampatti Branch, Erode	Cash Credit	35.00	17.85	30.87
Bank of India - Coimbatore	Cash Credit	8.00	0.09	6.05
Indian Bank, Chennai	Cash Credit	7.00	0.01	4.83
Canara Bank, Erode	Cash Credit	3.00	0.00	(0.45)
Exim Bank, Chennai	Cash Credit	2.50	0.00	0.00
<b>Total</b>		<b>55.50</b>	<b>17.95</b>	<b>41.30</b>

Note: on the basis of Sanctioned Letter, our company have complied with all the requirements asked from the lending Institutions which includes monthly stock and debtor statement and QIS, QOS and HOS and which resembles the Accounts.

Our company is not declared as wilful defaulter by any bank or financial Institution or other lender.

Our company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Our company has taken funds from the Indian Bank and Canara Bank on account of or to meet the obligations of Joint Ventures (RPP Renaatus JV and RPP Dhanya JV) respectively.

### Note 22: Trade payable

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
(a) Dues to Micro Enterprises and Small Enterprises (Ref. Note 41)	-	-
(b) total outstanding dues of creditors other than micro enterprises & small enterprises	104.26	119.33
<b>Total</b>	<b>104.26</b>	<b>119.33</b>

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Trade Payables aging schedule as of 31.03.2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
(ii) Others					
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

## Trade Payables aging schedule as of 31.03.2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
(ii) Others					
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

## Note 23: Other financial liabilities - Current

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Mobilisation Advances / Other Projects Payables	41.99	109.79
Due to directors	0.07	0.11
Expenses payable	20.45	6.64
Balance with Subsidiaries	37.85	6.74
Unpaid dividend	0.03	0.03
Retention money - others	69.21	60.92
<b>Total</b>	<b>169.60</b>	<b>184.23</b>

Note: TDS on expenses is made on and when incurred. TDS is not reckoned for the sum stated as provision for expenses.

The unclaimed dividend amount of ₹7755/- pertaining to the year 2014-15 is not yet transferred to Investor Education and Protection Fund, due to the banking error which is being addressed by us along with the bank officials.

## Note 24 : Other Current Liabilities

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Statutory dues payable	18.41	9.35
Other Payables	36.31	13.68
Advances from customers	0.07	0.07
<b>Total</b>	<b>54.80</b>	<b>23.11</b>

## Note 25: Provisions-Short term

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Gratuity	0.21	0.09
Provision for Warranty	2.41	2.41
<b>Total</b>	<b>2.62</b>	<b>2.49</b>



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 26: Current Tax Liabilities (Net)

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Provision for Income Tax (Net of Advance income tax)	1.01	1.13
<b>Total</b>	<b>1.01</b>	<b>1.13</b>

### Note 27: Revenue from Operations:

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Contract Revenue	1,040.33	801.68
<b>Total</b>	<b>1,040.33</b>	<b>801.68</b>

### Note 28: Other Income

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Hire charges Received	2.27	2.46
Discount Received	1.19	0.27
Interest Income	6.30	4.15
Miscellaneous Income	0.96	3.66
Scrap Sales	0.03	0.19
Consulting Services & Service Charges	1.03	1.15
Profit on Sale of Assets	4.68	0.17
Forex Gain (Net)	5.44	1.35
Royalty Received	3.50	0.86
<b>Total</b>	<b>25.40</b>	<b>14.28</b>

Note: The amount of interest income on FD's with banks has been estimated on the basis of the rate of interest applicable, the amount of deposit and the period for which the deposit has run.

### Note 29: Cost of Material Consumed

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Inventory at the Beginning of the Period	18.30	10.91
Add: Purchases during the period	319.22	193.75
Less: Inventory at the end of the Period	16.47	18.30
<b>Total</b>	<b>321.06</b>	<b>186.35</b>

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Note 30: Direct Cost

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Works Contract Cost	425.59	448.80
Other Operating Cost	156.98	84.41
<b>Total</b>	<b>582.57</b>	<b>533.21</b>

### Note: Joint Venture Agreement

The Company has an unincorporated JV with the Party Ramalingam Construction Company Pvt Ltd with whom a project was jointly bid and obtained. However, the execution was fully done by the company. Company has agreed to pay 2% of Turnover of this project as Royalty to the Partner and this amount has been charged off to the Statement of Profit & Loss.

## Note 31: Employee benefits expense

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Salary Expenses	26.79	16.05
Company's Contribution to Employees' Provident Fund	0.31	0.32
Company's Contribution to Employees' State Insurance Corporation	0.02	0.03
Gratuity	0.04	0.02
Staff Welfare	3.93	1.89
<b>Total</b>	<b>31.09</b>	<b>18.32</b>

## Note 32: Finance Cost

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Interest expenses</b>		
On Term Loans and Other Loans	7.48	7.20
On Working Capital Loans	4.90	5.33
<b>Other borrowing costs</b>		
Bank Charges and Bank Guarantee Commission	0.00	0.00
Processing Charges Paid	0.95	1.45
<b>Total</b>	<b>13.34</b>	<b>13.98</b>

## Note 33: Depreciation and Amortisation Expenses

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Depreciation of tangible fixed assets	9.11	7.97
Amortisation of intangible fixed assets	0.00	0.00
<b>Total</b>	<b>9.11</b>	<b>7.97</b>



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 34: Other expense

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Advertisement	0.03	0.02
Business Development Expenses	0.64	0.21
Brokerage	0.00	0.00
Donation	0.23	0.04
Consulting Fees Paid	1.29	1.66
Miscellaneous Expense	0.50	0.44
Corporate Social Responsibilities	0.51	0.79
Equipment Hire Charges	0.61	0.53
Insurance	1.59	1.88
Repairs & Maintenance - Machinery	5.72	3.47
Repairs & Maintenance - Office	0.32	0.48
Repairs & Maintenance - Others	35.41	18.51
Postage & Telegraph	0.05	0.04
Professional Charges	3.93	1.27
Books & Periodicals	0.00	0.00
Loss On Sale of Assets	1.37	0.00
Legal Fees Paid	0.23	0.38
Printing and Stationery	0.48	0.34
Rent & Electricity	1.18	1.25
<b>Audit Fee</b>		
-Statutory Audit	0.15	0.32
-Other services	0.34	0.24
Bad Debts	0.08	0.00
Deposit Write Off	0.00	0.00
Secretarial Expenses	0.13	0.28
Rates & Taxes	0.04	0.13
Loss On Sale of Investment	0.00	0.00
Changes in CWIP	0.00	0.00
Telephone Expenses	0.11	0.07
Travelling Expenses	1.52	0.97
<b>Interest</b>		
On Statutory Dues	1.64	0.77
Registration and Renewals	0.42	0.25
Royalty Paid	3.56	1.16
Security Service Charges	0.56	0.07
Forex Loss (Net)	0.00	2.92
Other Expenses	0.05	0.00
Packing & Forwarding Charges	0.03	0.02
Warranty Provision	0.00	0.00
Bank Charges and Bank Guarantee Commission	4.12	6.46
<b>Total</b>	<b>66.84</b>	<b>44.95</b>

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 35: Income Tax Expense

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Current Tax	11.80	5.17
Taxes of earlier years	0.00	0.00
Deferred tax	0.97	0.66
<b>Total</b>	<b>12.76</b>	<b>5.83</b>

### Note 36: Other Comprehensive Income

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Current tax		
Deferred tax		
A (i) Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	1.41	0.09
Net change in fair values of investments in equity shares carried at fair value through OCI	0.00	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.00	0.00
B (i) Items that will be reclassified to profit or loss	0.00	0.00
Exchange differences on translation of Financial Statement of Foreign Companies	(2.43)	(3.40)
(ii) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00
Other Comprehensive Income for the period / year, net of tax	0.00	0.00
<b>Total</b>	<b>(1.02)</b>	<b>(3.32)</b>

### Note 37: The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Profit before tax</b>	<b>41.73</b>	<b>11.18</b>
Income tax expense	10.50	2.82
<b>Less: Exemption/Deductions</b>		
Others		
<b>Add: Effect of expenses that are not deductible in determining taxable profit</b>		
Expenses not allowed in income tax	1.25	1.36
Tax Effects due to difference in treatment of expenses between acts	0.97	0.66
Others	0.04	1.00
<b>Total</b>	<b>12.76</b>	<b>5.83</b>
Adjustments recognised in the current year in relation to the current tax of prior years	0.00	0.00
Income tax expense recognised In Statement of Profit & Loss (relating to continuing operations)	12.76	5.83





## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

(₹ in Crore)

Income tax recognised in other comprehensive income	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Deferred tax	0.00	0.00
Arising on income and expenses recognised in other comprehensive income	0.00	0.00
Net fair value gain on investments in equity shares at FVTOCI	0.00	0.00
Remeasurement of defined benefit obligation	1.41	0.09
Total income tax recognised in other comprehensive income	0.00	0.00
Bifurcation of the income tax recognised in other comprehensive income into:	0.00	0.00
Exchange differences on translation of Financial Statement of Foreign Companies	(2.43)	(3.40)
Items that will not be reclassified to profit or loss	1.41	0.09
Items that may be reclassified to profit or loss	(2.43)	(3.40)

### Note 38: Earnings per share (EPS)

(₹ in Crore)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Basic EPS</b>		
Profit attributable to equity holders	28.96	5.36
Weighted average number of Equity shares for EPS	32411487.86	31638423.86
<b>EPS (₹ per share)</b>		
Basic	8.94	1.69
Profit attributable to equity holders	28.96	5.36
Weighted average number of Equity shares including Potential Equity shares for EPS	32409282.88	31686218.88
<b>EPS (₹. per share)</b>		
Diluted	8.94	1.69
Nominal Value of Shares (₹ per share)	10.00	10.00

### Note 39:

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control and continue to be consolidated until the date that such control ceases. The Consolidated Financial Statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's standalone financial statements, except otherwise stated. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Name of the entity	Net assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in ₹ Crores)	As % of consolidated profit or loss	Amount (in ₹ Crores)	As % of consolidated profit or loss	Amount (in ₹ Crores)	As % of consolidated profit or loss	Amount (in ₹ Crores)
Parent								
Rpp Infra Projects Limited	93.18%	365.06	90%	25.99	36.68%	1.41	97.82%	24.58
Subsidiaries								
Indian								
Greatful Mercantile Pvt. Ltd.	0.04%	0.17	0%	0.00	0.00%	0.00	-0.01%	0.00
Sanskar Dealcom Pvt Ltd.	0.04%	0.17	0%	0.00	0.00%	0.00	-0.01%	0.00
Lunkar Finance Private limited	4.16%	16.29	0%	(0.04)	0.00%	0.00	-0.15%	(0.04)
RPP ANNAI JV Private Limited	-0.01%	(0.05)	0%	(0.04)	0.00%	0.00	-0.14%	(0.04)
Foreign								
RPP Infra Overseas PLC	2.48%	9.72	-1%	(0.19)	-36.80%	(1.41)	4.85%	1.22
RPP Infra Projects (Lanka) Ltd.	0.11%	0.41	11%	3.25	100.12%	3.85	-2.38%	(0.60)
<b>Total</b>	<b>100.00%</b>	<b>391.78</b>	<b>100.00%</b>	<b>28.97</b>	<b>100.00%</b>	<b>3.84</b>	<b>100.00%</b>	<b>25.13</b>

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Note 40: Gratuity & other post employment benefit plans

### Defined Contribution Plan

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Insurance Company in the form of a qualifying Insurance Policy.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. Generally equity instruments should not exceed 15% of total portfolio. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The plan assets include significant investment in Debt Fund, hence, the Company is not exposed to any market risk.

The following table summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet.

### Changes in Present Value of Obligations

Particulars	₹ in Crore)	
	2022-23	2021-22
Present Value of Obligation as at the beginning of the year	0.57	0.57
Interest Cost	0.04	0.04
Current Service Cost	0.53	0.12
Benefits paid	0.00	(0.06)
Past Service Cost	0.00	0.00
Actual(Gain)/ Loss on Obligations*	0.70	(0.10)
Present Value of Obligations at the end of the year	1.84	0.57

### Changes in Fair Value of Planed Assets

Particulars	₹ in Crore)	
	2022-23	2021-22
Fair Value of Plan Assets at the beginning of the year	0.20	0.23
Investment Income	0.01	0.02
Contributions	0.00	0.00
Benefits Paid	0.00	(0.06)
Employers Contribution	0.04	0.01
Return on plan assets , excluding amount recognised in net interest expense	0.00	0.00
Actual(Gain)/ Loss on Plan Asset*	0.00	0.00
Fair Value of Plan Assets at the end of the year	0.25	0.20

Particulars	₹ in Crore)	
	2022-23	2021-22
Fair Value of Plan Assets at the beginning of the year	0.32	0.29
Actual Return on Plan Assets	0.01	0.02
Employer's Contribution	0.04	0.01
Fair Value of Plan Assets at the end of the year	0.37	0.32



# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Amount recognised in balance sheet

Particulars	(₹ in Crore)	
	2022-23	2021-22
Present value of projected benefit obligation at the end of the year	1.84	0.57
Fair value of plan assets at the end of year	0.37	0.32
Funded status amount of liability recognised in balance sheet	1.47	0.27

## Expenses Recognised in the Profit & Loss Account

Particulars	(₹ in Crore)	
	2022-23	2021-22
Current Service Cost	0.53	0.12
Past Service Cost	0.00	0.00
Interest Cost	0.03	0.02
Expected Return on Plan Assets	0.00	0.00
Net Actuarial (Gain)/ Loss Recognised In the period	0.00	0.00
Expenses Recognised in Statement of Profit and Loss	0.56	0.14

## Other Comprehensive Income

Particulars	(₹ in Crore)	
	2022-23	2021-22
Actuarial (gains) / losses	0.00	0.00
- change in demographic assumptions	(0.04)	(0.04)
- change in financial assumptions	0.73	(0.06)
- experience variance (i.e. Actual experience vs assumptions)	0.00	0.00
- others	0.00	0.00
Return on plan assets, excluding amount recognised in net interest expenses	0.00	0.00
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	0.00	0.00
Components of defined benefit costs recognised in other comprehensive income	0.00	0.00

## Summary of actuarial assumptions

Particulars		
	2022-23	2021-22
Discount rate	7.45%	7.30%
Salary growth rate	5.00%	5.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

## Demographic Assumption

Particulars		
	2022-23	2021-22
Mortality rate (% of IALM 12-14)	1.00	1.00
Normal retirement age	58 Years	58 Years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	10.00%	10.00%
31-44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	₹ in Crore	
	2022-23	2021-22
Defined Benefit Obligation (Base)	1.84	0.57

Particulars	2022-23		2021-22	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	2.10	1.64	0.66	0.51
(% change compared to base due to sensitivity)	13.80%	-11.30%	14.30%	-11.80%
Salary Growth Rate (- / + 1%)	1.63	2.10	0.50	0.66
(% change compared to base due to sensitivity)	-11.60%	13.60%	-12.10%	14.50%
Attrition Rate (- / + 50% of attrition rates)	1.80	1.87	0.56	0.58
(% change compared to base due to sensitivity)	-2.20%	1.30%	-1.90%	1.40%
Mortality Rate (- / + 10% of mortality rates)	1.84	1.85	0.57	0.57
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

## Note 41: Commitments and contingencies

Particulars	₹ in Crore	
	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2023
(a) Counter Indemnities given to Banks in respect of contracts	259.64	275.72
(b) Income Tax Liability that may arise in respect of which Company is in appeal	35.02	35.02
(c) Service Tax liability that may arise in respect of matters in appeal	22.93	22.93
(d) TDS Liability as reflected in the Traces Portal which are under Reconciliation/ Appeal	0.07	0.14
(e) Value Added Tax liability that may arise in respect of matters in appeal	98.20	98.20
(f) Goods and Service Tax liability that may arise in respect of matters in appeal	17.07	0.00

- The Company is contesting the demands and the Management, including its legal counsel/Tax Advisors, believe that it is possible, but not probable, the action will succeed and accordingly no provision for liability has been recognised in the financial statements.
- WRIT Petition is under process against the Income Tax Settlement Commission Order which has been completed in the Financial Year 2019-20 and Tax due has been paid as per ITSC order in three Installments. Two Installments paid in the Financial year 2019-20 and due to Covid 19 final Installment paid in Financial year 2020-21.
- GST returns have been filed belatedly for most of the Months.
- The reconciliation for purchases and expenditures with the details available in Form 2A, according to the GST portal is under process. No provision for dues of interest on GST dues, if any, is provided in the accounts pending finalisations.
- We have received notice from GST department for various states in which we operate, in ordinary course of Business. The value of which couldn't be ascertained because of its nature. Correspondance with GST Department have been made with respect to the notice received.

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 42: Segment Information

The Company is engaged in one business segment, namely, "Construction and Infrastructure Development". The Company and its subsidiaries operate in India, Sri Lanka, and Mauritius. As the net profit/loss from the Overseas operations constitutes more than 10% of the total profit, geographical segment has been considered as the primary segment for consolidated Financial Statement and there are no other reportable segments as required to be disclosed under Ind AS 108 - Operating Segments.

Particulars	(₹ in Crore)	
	2022-2023	2021-2022
<b>Segmental Revenues</b>		
India	1034.66	793.72
Overseas	5.67	7.97
<b>Total Revenue</b>	1040.33	801.68
Less: Inter Segmental Revenues	0.00	0.00
Net Sales/ Income from Operations	1040.33	801.68
Add: Other Income	25.40	14.28
Revenues	1065.73	815.97
<b>Segmental Profits (Profit before Interest &amp; tax)</b>		
India	60.62	35.72
Overseas	(5.56)	(10.56)
Less: Interest & Finance Charges	(13.34)	(13.98)
Profit before tax	41.73	11.19
<b>Capital Employed (Segmental Assets minus Liabilities)</b>		
India	417.78	368.65
Overseas	(17.60)	0.85

### Note 43: Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

There are no overdue amounts payable to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 based on information available with the Company. Further, the Company has not paid any interest to any Micro and Small Enterprises during the year ended March 31, 2022.

### Note 44: Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet Date

Particulars	(₹ in Crore)			
	Year ended 31 <sup>st</sup> March 2023		Year ended 31 <sup>st</sup> March 2022	
	Foreign Currency	Equivalent INR	Foreign Currency	Equivalent INR
Payables				
LKR	19.85	7.70	19.85	7.70
<b>Total</b>	<b>19.85</b>	<b>7.70</b>	<b>19.85</b>	<b>7.70</b>
Receivables				
USD	0.11	8.08	0.11	7.94
TAKA	31.33	26.58	24.58	20.84
LKR	40.05	12.11	13.03	6.09
<b>Total</b>	<b>71.49</b>	<b>46.77</b>	<b>37.72</b>	<b>34.87</b>

### Note 45 : Corporate Social Responsibility

The CSR expenditure comprises the following:

- Gross amount required to be spent by the Company during the year: ₹ 0.47 Crores.
- Amount spent during the year ₹ 0.51 Crores.

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

(c) Amount unspent during the year ₹ NIL”

S. no	Particulars	Year ended 31 <sup>st</sup> March 2023			Year ended 31 <sup>st</sup> March 2022		
		Paid	Yet to be Paid	Total	Paid	Yet to be Paid	Total
i.	Construction/ Acquisition of any Asset	-	-	-	-	-	-
ii.	On Purpose other than (i) above	0.51	-	0.51	0.66	-	0.66
	<b>Total</b>	<b>0.51</b>	<b>-</b>	<b>0.51</b>	<b>0.66</b>	<b>-</b>	<b>0.66</b>

## Related Party Relationship and Transaction

### (a) Name of related Parties and related party relationship

Related Party where control exists

Sr No	Name of the Related Party	Nature of Relationship
1	RPP Infra Overseas PLC	Subsidiary
2	RPP Infra Projects (Lanka) Limited	Subsidiary
3	Sanskar Dealcom Pvt Ltd	Subsidiary
4	Greatful Mercantile Pvt Ltd	Subsidiary
5	Lunkar Finance Private limited	Step down Subsidiary
6	RPP Annai JV Private Limited	Subsidiary
7	P Arul Sundaram – Chairman & Managing Director	Key Management Personnel
8	A Nithya – Whole Time Director	Key Management Personnel
9	Renaatus Projects Pvt Ltd	Mr. Arul Sundaram (CMD) is the brother of Mr. P. Selvasundaram who is promoter of M/S.Renaatus Projects Pvt Ltd
10	P & C Projects Pvt Ltd	Mrs. A. Nithya (WTD) is one of the share holder in M/s. P & C Construction Pvt Ltd and her brothers are Chairman of M/s. P & C Projects Pvt Ltd.
11	Sanjeevi Constructions	Mr. Muralithasan who is the Director, is Managing Partner of the Firm
12	RPP P& C JV	A Firm in which RPP IPL is lead partner
13	RPP RK P& C JV	A Firm in which RPP IPL is lead partner
14	RPP Dhanya JV	A Firm in which RPP IPL is lead partner
15	RPP Renaatus JV	A Firm in which RPP IPL is lead partner
16	RPP Sathyamoorthy JV	A Firm in which RPP IPL is lead partner
17	RPP RK JV	A Firm in which RPP IPL is lead partner
18	RPP Blue Metals	Mr.P.Selvasundaram who is brother of Mr.Arulsundaram (CMD), is a director.
19	Ero Techno Systems	Mr P Arul Sundaram and Mrs. A Nithya both are Partners in the Firm
20	Nirara Shelters LLP	Mrs. A Nithya (WTD) is one of the Partner
21	R.P.P. Stocks and Securities Private Limited	Common Director
22	Arve Impex Private Limited	Common Director
23	RPP Ventures Private Limited	Common Director
24	Renaatus –RPP JV	A Firm in which RPP IPL is least partner
25	P&C RPP JV	A Firm in which RPP IPL is least partner
26	Spac Terminal Market Complex Limited	Common Director
27	Supreme Poultry Private Limited	Common Director
28	Dexterity Business Analysts Private Limited	Common Director



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

Sr No	Name of the Related Party	Nature of Relationship
29	RPP RCCL JV	A Firm in which RPP IPL is lead partner
30	RPP Infra Projects Myanmar Limited	Associate Company
31	RPP SMC JV	A Firm in which RPP IPL is lead partner
32	Renaatus Procon Private Limited	Mr. Arul Sundaram (CMD) is the brother of Mr. P. Selvasundaram who is promoter of M/S.Renaatus Projects Pvt Ltd"
33	IEL RPP JV	A Firm in which RPP IPL is least partner
34	RPP P&C Vagmine JV	A firm in which RPP is a Lead member
35	RPP HSGA JV	A firm in which RPP is a Lead member
36	RPP OPG JV	A firm in which RPP is a Lead member
37	RPP Infrastructure JV	A firm in which RPP is a Lead member
38	V. Satyamoorthy	Lease member

### (b) Transactions with Related Parties

Nature of Transaction/ Relationship/ Parties	2022-23	2021-22
<b>Purchase of Goods &amp; Services/ Work Bills</b>		
<b>Other Related Parties</b>		
P & C Projects Pvt Ltd	0.14	0.06
Sanjeevi Constructions	0.00	0.00
Renaatus Projects Pvt Ltd	0.08	0.00
RPP Blue Metals	0.33	0.40
Ero Techno Systems	2.22	0.44
RPP RK P&C JV	0.00	0.00
RPP P&C JV	0.00	0.00
Renaatus Procon Private Limited	0.00	0.00
RPP Dhanya JV	0.15	0.18
RPP Renaatus JV	0.12	0.52
<b>Sale of goods/ contract revenue &amp; services</b>		
<b>Other Related Parties</b>		
Renaatus Projects Pvt Ltd	0.04	0.18
P & C Projects Pvt Ltd	0.00	0.01
Sanjeevi Constructions	0.00	0.00
Ero Techno Systems	0.45	0.00
RPP P&C JV	0.83	0.70
RPP RCCL JV	0.00	0.00
RPP RK P&C JV	0.00	0.16
RPP SMC JV	2.01	3.08
RPP P&C VAGMINE JV	2.54	0.00
RPP Dhanya JV	13.08	4.93
RPP Renaatus JV	13.51	3.70
Renaatus RPP JV	126.62	7.99
RPP SATHYAMOORTHY JV	16.82	0.00
<b>Advances/Loan received/ recovered</b>		
<b>Subsidiaries</b>		
RPP Annai JV Private Limited	0.00	0.05

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

Nature of Transaction/ Relationship/ Parties	2022-23	2021-22
<b>Other Related Parties</b>		
Sanjeevi Constructions	0.08	0.00
Renaatus Projects Pvt Ltd	0.00	3.20
P & C Projects Pvt Ltd	0.12	0.71
RPP Dhanya JV	0.00	6.00
RPP Renaatus JV	0.00	2.60
Renaatus RPP JV	12.61	20.79
RPP SMC JV	0.00	0.27
Ero Techno Systems	0.17	0.00
Lunkar Finance Private limited	10.47	0.00
<b>Other Related Parties Transactions</b>		
P. Arulsundaram – Chairman and Managing Director	3.22	12.07
Mrs. A. Nithya – Whole Time Directors	9.51	13.33
<b>Other Transactions</b>		
<b>Out standing Balance as on 31/03/2022</b>		
<b>Subsidiaries</b>		
RPP Infra Overseas PLC	7.94	7.94
RPP Infra Projects (Lanka) Limited	7.70	7.70
Sanskar Dealcom Pvt Ltd	0.01	0.01
Greatful Mercantile Pvt Ltd	0.01	0.01
RPP Annai JV Private Limited	0.41	5.71
<b>Other Related Parties</b>		
Renaatus Projects Pvt Ltd	2.05	2.11
P & C Projects Pvt Ltd	0.03	1.54
Sanjeevi Constructions	0.34	0.41
RPP Dhanya JV	6.38	4.93
RPP Renaatus JV	8.69	9.70
RPP Sathyamoorthy JV	3.85	0.00
Lunkar Finance Private limited	0.00	10.45
Ero Techno Systems	0.34	0.47
RPP Blue Metals	0.10	0.01
RPP P&C JV	1.76	6.09
RPP RK P&C JV	0.07	1.43
RPP RK JV	0.00	0.00
RPP SMC JV	0.00	0.62
Renaatus Procon Private Limited	0.02	0.02
Renaatus RPP JV	6.25	7.92
RPP P&C VAGMINE JV	0.00	0.00
<b>Due to Director (Current Account)</b>		
P. Arulsundaram – Chairman and Managing Director	0.07	0.11
Mrs. A. Nithya – Whole Time Directors	0.00	0.00
<b>Payment of Salaries/ perquisites (Other than commission to Key management personnel)</b>		
Mr. P. Arulsundaram – Chairman and Managing Director	0.48	0.48
Mrs. A. Nithya – Whole Time Directors	0.21	0.21
<b>Rent Paid to Directors</b>		
Mr. P. Arulsundaram – Chairman and Managing Director	0.30	0.30



## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

### Note 46: Financial Instruments Disclosure

#### 46.1 Capital management

The Company's objective when managing capital is to:

- (i) Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and
- (ii) Maintain an optimal capital structure to reduce the cost of capital.
- (iii) The company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company comprises of equity share capital, retained earnings and other equity attributable to equity holders.. The Company is not subject to any externally imposed capital requirements.

#### 46.2 Gearing ratio

The following table summarizes the capital of the Company and the gearing ratios:

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Total equity as per balance sheet</b>	<b>365.06</b>	<b>336.66</b>
Non- current borrowings	31.85	31.82
Current borrowings	47.58	62.04
Cash and Bank balances	37.78	41.79
<b>Net Debt</b>	<b>117.22</b>	<b>135.65</b>
Net debt to Equity ratio	3.11	2.48

#### 46.3 Categories of Financial Instruments

Particulars	(₹ in Crore)	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Financial Assets</b>		
<b>Measured at fair value through profit or loss (FVTPL) (mandatorily measured)</b>		
(a) Investment	0.11	0.11
<b>Measured at Amortised cost</b>		
(b) Trade Receivables	188.22	216.98
(c) Cash and Cash equivalents	37.78	41.79
(d) Short Term Loans & Advances	69.32	23.79
(e) Others	92.66	142.49
<b>Financial Liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	79.44	93.86
(b) Trade payables	104.26	119.33
(c) Other financial liabilities	169.60	184.23

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## 46.4 Financial Risk Management Objectives

In course of its business, the Company is exposed to certain financial risks that could have significant influence on the Company's business and operational / financial performance. These include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Management reviews and approves risk Management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks.

### 46.4.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are foreign currency exchange risk and interest rate risk.

#### 46.4.1.1 Foreign Currency Risk Management

The company has overseas subsidiaries which are however are not material subsidiaries. Net amount payable / receivable are not hedge and company is hopeful of recovering the same in ensuing financial year. There are no other foreign currency risk exposure to the Company.

#### 46.4.1.2. Interest rate risk.

The Company is not exposed to interest rate risk because of borrowal of funds at fixed interest rates. The company's exposure to interest rate on borrowings are detailed in note 19.

### 46.4.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. The customer profile consists of around 60-70% from Govt. Sectors.

The company's exposure to credit risk for trade and other receivables by type of counterparty are as follows:

Particulars	Percentage to Total Trade receivables	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Govt companies	65.97%	77.95%
Others	34.03%	22.05%

### 46.4.3 Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.



# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Contractual maturity of financial liabilities:

(₹ in Crore)

As at March 31, 2023	Due - within 1 year	Due – More than 1 year	Total
Non-Current Borrowings	29.64	31.85	61.49
Other Non-Current Financial Liabilities	0.00	0.00	0.00
Current Borrowings	17.95	0.00	17.95
Trade Payables	104.26	0.00	104.26
Other Current Financial Liabilities	169.60	0.00	169.60
<b>Total</b>	<b>321.44</b>	<b>31.85</b>	<b>353.29</b>

(₹ in Crore)

As at March 31, 2022	Due - within 1 year	Due – More than 1 year	Total
Non-Current Borrowings	20.74	31.82	52.56
Other Non-Current Financial Liabilities	0.00	0.00	0.00
Current Borrowings	41.30	0.00	41.30
Trade Payables	119.33	0.00	119.33
Other Current Financial Liabilities	184.23	0.00	184.23
<b>Total</b>	<b>365.60</b>	<b>31.82</b>	<b>397.42</b>

## Note 47: Joint Venture Agreement

The Company has an unincorporated JV with the Party Ramalingam Construction Company Pvt Ltd with whom a project was jointly bid and obtained. However, the execution was fully done by the company. Company has agreed to pay 2% of Turnover of this project as Royalty to the Partner and this amount has been charged off to the Statement of Profit & Loss.

## Note 48: Disclosure Pursuant to Construction Contracts

Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers

- (a) The Company believes that the information provided vide Note 27 (Revenue from Operations) and vide Note 42 (Segment reporting) is sufficient to meet the disclosure requirements with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.
- (b) Reconciliation of the amount for revenue recognised in the Standalone Statement of Profit and Loss with the contracted price:

(₹ in Crore)

Particulars	31-03-2023	31-03-2022
Revenue from operations	1040.33	801.68
<b>Adjustments:</b>		
Claims	0.00	0.00
<b>Revenue from contract with customers</b>	<b>1040.33</b>	<b>801.68</b>

## (c) Contract balances

- (i) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Crore)

Particulars	Note	31-03-2023	31-03-2022
Trade receivables	12	188.22	216.98
Contract assets : Unbilled revenue	15	92.66	142.49
Contract liabilities - Advance billing to customer	24	36.31	13.68
Contract liabilities - Mobilisation advances	23	41.99	109.79

## Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

(ii) Movement in contract balances during the year

Particulars	(₹ in Crores)		
	Contract assets	Contract liabilities	Net contract balances
Opening balance as at April 1, 2022	142.49	123.47	19.02
Closing balance as at March 31, 2023	92.66	78.30	14.36
<b>Net increase/(Decrease)</b>	<b>(49.83)</b>	<b>(45.17)</b>	<b>(4.66)</b>

Note: Increase in net contract balances is primarily due to higher revenue recognition as compared to progress bills raised during the year.

(iii) Revenue recognised during the year from opening balance of Contract liabilities amounts to ₹ 32.64 Crores

(d) Remaining performance obligations

In case of revenue from Road repair and maintenance, the Company applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations where the Company has a right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Accordingly, the Company recognises revenue by an amount to which the Company has a right to invoice.

Remaining performance obligations are subject to variability due to several factors such as changes in scope of contracts, periodic revaluations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to remaining performance obligations is ₹ 3200 Crores out of which 35%-45% is expected to be recognised as revenue in the next year and the balance thereafter.

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

**CA S N Duraiswamy**

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHX6040

**P. Arul Sundaram**

Chairman & Managing Director

DIN: 00125403

**A. Nithya**

Whole Time Director & Chief Financial Officer

DIN: 00125357

**Shammi Praksash**

Company Secretary

M.No: F12231



# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## Note 49: Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% variance	Reason for variance (+/- >25%)
Current Ratio	Current Assets	Current Liabilities	1.65	1.61	2.64%	-
Debt -equity Ratio	Total Debt	Shareholder's Equity	0.22	0.28	-21.95%	
Debt Service Coverage Ratio	Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt Service = Interest & Lease Payments + Principal Repayments <sup>1</sup>	1.47	1.25	17.46%	-
Return On Equity (%)	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	8.25%	1.79%	361.06%	Three high value road projects are at establishment phase which reduces the Previous year profit and in current year it become normal.
Inventory Turnover Ratio	Cost of goods sold OR Sales	Average Inventory = (Opening + Closing balance/2)	NA <sup>2</sup>	NA <sup>2</sup>	NA <sup>2</sup>	-
Trade Receivables Turnover Ratio	Net Credit Sales = Gross credit sales - Sales return	Average Accounts Receivable = (Opening + Closing balance/2)	5.13	4.20	22.13%	-
Trade Payables Turnover Ratio	Net Credit Purchases = Gross credit purchases - Purchase return	Average Trade Payables	2.87	1.59	80.34%	Previous Years Purchases is low when compared to current year, because of new project is in full swing of progress
Net Capital Turnover Ratio	Net Sales = Total sales - Sales returns	Working Capital = Current assets - Current liabilities	4.22	3.37	25.28%	-
Net Profit Ratio	Net Profit = Net profit shall be after tax	Net Sales = Total sales - Sales returns	0.03	0.01	316.65%	Three high value road projects are at establishment phase which reduces the Previous year profit and in current year it becomes normal.
Return On Capital Employed	Earnings before interest & taxes	Capital Employed = Tangible Net Worth + Total Debt <sup>3</sup> + Deferred Tax Liability	0.14	0.07	102.73%	During the previous year Three high value road projects are at establishment phase which reduces the profit. In addition, increase in capital employed because of Rights issue, leads to reduction in ROCE. In current year it backs to normal

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

Ratio	Numerator	Denominator	Current Period	Previous Period	% variance	Reason for variance (+/- >25%)
Return On Investment <sup>4</sup>	$\{MV(T1)-MV(T0)-\text{Sum}[C(t)]\}$ where, T1 = End of time period T0 = Beginning of time period t = Specific date falling between T1 and T0 MV(T1) = Market Value at T1 MV(T0) = Market Value at T0 C(t) = Cash inflow, cash outflow on specific date W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $[T1 - t] / T1$	$\{MV(T0)+\text{Sum}[W(t)*C(t)]\}$ where, T1 = End of time period T0 = Beginning of time period t = Specific date falling between T1 and T0 MV(T1) = Market Value at T1 MV(T0) = Market Value at T0 C(t) = Cash inflow, cash outflow on specific date W(t) = Weight of the net cash flow (i.e. either net inflow or netoutflow) on day 't', calculated as $[T1 - t] / T1$	-	-	-	-

- Interest expense + Principal repayments made during the period for Long term borrowings
- Irrelevant to nature of business of the company, as the company falls under service sector.
- Here, total debt consists of Long Term Borrowings alone.
- Return received on Investment is immaterial as majority of investments are made in unquoted shares, from which we haven't received material return either in the form of dividend or appreciation in value.

## Note 50

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Note 51: Additional Disclosures Under Schedule III Division II

- No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority
- As per the information available with the Company, the Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2023.



# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2023

## ANNEXURE 4 Form No AOC - 1

Name of the Subsidiary	RPP Infra Projects (Lanka)	RPP Infra Overseas PLC	Sanskar Dealcom Pvt Ltd	Greatful Mercantile Pvt Ltd	Lunkar Finance Pvt Ltd	RPP Annai JV Pvt Limited
Reporting period for the Subsidiary concerned	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2023
Reporting Currency	LKR	US \$	INR	INR	INR	INR
Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR/LKR 0.26	INR/USD 0.01				
Share Capital	0.05	0.02	0.03	0.03	0.42	0.01
Reserves and Surplus	0.36	9.70	0.14	0.14	15.87	(0.03)
Total Assets	7.76	18.81	0.18	0.19	16.29	9.05
Total liabilities	7.35	9.08	0.01	0.01	0.00	9.11
Investments	0.00	0.00	0.18	0.18	0.00	0.00
Turnover	0.00	0.00	0.00	0.00	0.00	35.08
Profit before taxation	3.25	(0.19)	0.00	0.00	(0.04)	(0.04)
Provision for taxation	0.00	0.00	0.00	0.00	0.00	0.00
Profit after taxation	3.25	(0.19)	0.00	0.00	(0.04)	(0.04)
Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00
% of Shareholding	100%	100%	100%	100%	100%	51%

As per our report of even date

On behalf of Board of Directors  
**For RPP Infra Projects Limited**

**CA S N Duraiswamy**

Membership No.: 026599

Date: 29.05.2023

Place: Erode

UDIN: 23026599BGQHX6040

**P. Arul Sundaram**

Chairman & Managing Director

DIN: 00125403

**A. Nithya**

Whole Time Director & Chief Financial Officer

DIN: 00125357

**Shammi Praksash**

Company Secretary

M.No: F12231



## Registered office

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